THE ROADS AHEAD

City of Saskatoon

2014 Annual Report

Saskatoon, Saskatchewan, Canada - Year Ended December 31, 2014

OUR VISION

In 2030, Saskatoon is a world class city with a proud history of self-reliance, innovation, stewardship, and cultural diversity. Saskatoon is known globally as a sustainable city loved for its community spirit, robust economy, cultural experiences, environmental health, safety, and physical beauty. All citizens enjoy a range of opportunities for living, working, learning, and playing. Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.

"Saskatoon is a great place to live, where sustainable growth enables the community to invest for the benefit of all."

OUR MISSION

Our Corporation, the City of Saskatoon, exists to provide excellent local government through leadership, teamwork, partnership and dedication to the community.

We will be innovative and creative in the efficient and effective delivery of public services for the economic, environmental, social and cultural well-being of the community.

OUR CORPORATE VALUES

Our Strategic Goals will be achieved through the talent, creativity, and commitment of staff who demonstrate our five workplace values every day:

TRUST - INTEGRITY - RESPECT - HONESTY - COURAGE

OUR LEADERSHIP COMMITMENTS

Our leadership commitments are another critical ingredient for the City of Saskatoon to accomplish the vision and mission. We value and need people who demonstrate our four leadership commitments throughout their daily activities and in a manner that helps to achieve the Strategic Goals:

RELIABLE AND RESPONSIVE SERVICE

STRONG MANAGEMENT AND FISCAL RESPONSIBILITY

EFFECTIVE COMMUNICATION, OPENNESS AND ACCOUNTABILITY

INNOVATION AND CREATIVITY

2014 ANNUAL REPORT - *THE ROADS AHEAD*

City Council approved the City of Saskatoon's Strategic Plan 2013 - 2023 on August 14, 2013. The new plan positions Saskatoon as a *21st Century City*, and will guide the City to take its place among the most progressive and innovative cities in Canada.

The Strategic Plan sets out seven Strategic Goals that will guide City Council's decision-making and administrative policy-making from 2013-2023:

A CULTURE OF CONTINUOUS IMPROVEMENT

ASSET & FINANCIAL SUSTAINABILITY

QUALITY OF LIFE

ENVIRONMENTAL LEADERSHIP

SUSTAINABLE GROWTH

MOVING AROUND

ECONOMIC DIVERSITY & PROSPERITY

Each Strategic Goal has 10-Year Strategies and 4-Year Priorities; these represent the "how-to" component of operationalizing the vision. Implementation strategies have been developed through the annual Corporate Business Plan and Budget process. The City continues to monitor performance as we bring Saskatoon's collective community vision to life. Our 2014 Annual Report - *The Roads Ahead*, aligns with the goals set forth in the Strategic Plan 2013 - 2023.

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City of Saskatoon

City of Saskatoon 2014 Annual Report
Year Ended December 31, 2014
Saskatoon, Saskatchewan, Canada

Prepared and Produced by the City of Saskatoon
Asset & Financial Management and Corporate Performance Departments

Financial Statements Presented to City Council on August 20, 2015
Annual Report Presented to City Council on September 28, 2015

LETTER OF TRANSMITTAL

City of Saskatoon

August 20, 2015

His Worship the Mayor
and Members of City Council

I am pleased to submit the City of Saskatoon's Annual Financial Report for the year ended December 31, 2014. The Annual Financial Report is submitted pursuant to Section 155 of *The Cities Act*. The financial report includes consolidated financial statements for the City of Saskatoon reporting entity as required by the Public Sector Accounting Standards Board (PSAB).

The purpose of this report is to provide financial, statistical, and other information about the City of Saskatoon and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

- The introduction familiarizes readers with the political and organizational structure of the City, reviews the City's accomplishments over the past year, and describes the nature and scope of the services provided by the City.
- A Financial Discussion and Analysis section and the Consolidated Financial Statements.
- The Financial Statement Discussion and the Statistical Section provides additional explanation and trend analysis to provide a broader understanding of the financial statements.

The preparation and presentation of the financial statements and related information contained in this report is the responsibility of the City of Saskatoon's management. The statements have been prepared on a basis consistent with the recommendations of PSAB. Included in the consolidated financial statements are those entities that are accountable to, and owned or controlled by, the City of Saskatoon. These entities include: the Saskatoon Public Library, Saskatoon Police Service, Saskatchewan Place Inc. (operating as SaskTel Centre), Saskatoon Centennial Auditorium (operating as TCU Place), and the Mendel Art Gallery.

City Council appointed the accounting firm of Deloitte LLP to perform an independent audit of the City's 2014 financial statements, and its report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The Standing Policy Committee on Finance reviews the external auditor's plan and ensures corrective action is taken for weaknesses identified in the City's internal control system. An internal audit function through the services of Garman, Weimer & Associates also report to the Standing Policy Committee on Finance, ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews. It should be noted that starting in 2015, PricewaterhouseCoopers LLP will be the internal auditors focusing on risk-based management reviews.

As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating, and Capital) for budgeting and reporting purposes. For the purpose of the consolidated financial statements, the financial position, and results of all the segments are brought together.

The financial statements included herein reveal that the City ended the year with an operational surplus of $553,000 (see Schedule 6 within the Consolidated Financial Statements on page 100).

The City's 2014 capital program included planned expenditures of $381.1 million. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government, and borrowing.

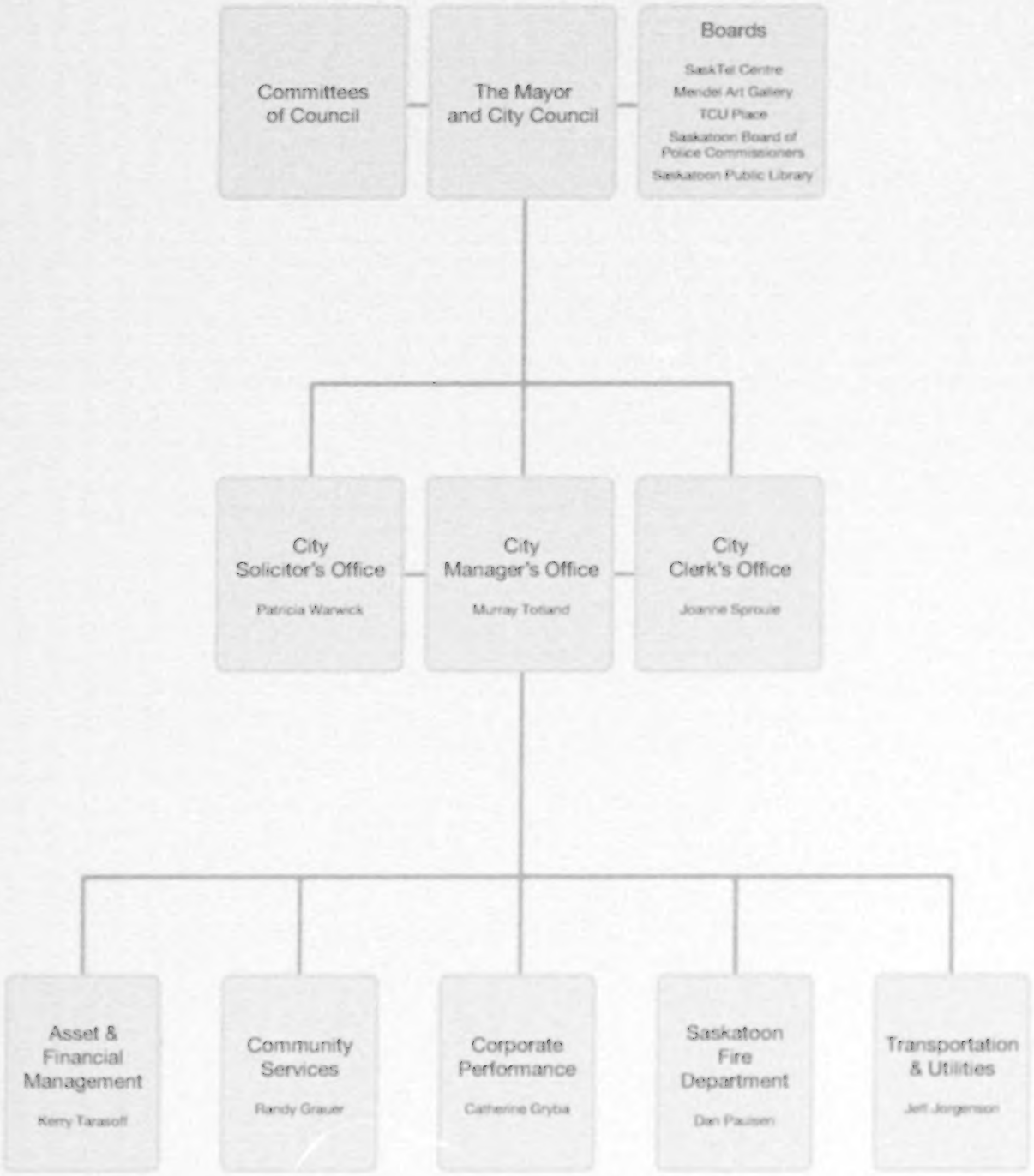
The City continues to receive positive reviews from Standard & Poor's (S&P) which reconfirmed the City's AAA credit rating.

Respectfully submitted,

Kerry Tarasoff, FCPA, FCMA

CFO/General Manager,
Asset & Financial Management Department

CITY OF SASKATOON ORGANIZATIONAL CHART 2014



MESSAGE FROM THE MAYOR

Mayor Donald Atchison

Our successful city is built on the fundamentals of a reliable and sound infrastructure. In 2014, the City of Saskatoon continued to focus on the quality of life for our citizens. More and more people from around the world and across Canada are choosing to live and raise their families in our great city. We continue to ensure they are safe and secure, can move around the city, and can enjoy the amenities that come with smart investments in what matters most to our community.

Our focus in 2014 was on "The Roads Ahead". City Council approved a roadway levy of $50 million to fund an array of necessary projects. More than 200 lane kilometers of roadway were rehabilitated. Back lanes were graded or paved. Sidewalks were repaired or replaced.

An innovative and creative approach to street sweeping brought cleaner streets to every neighbourhood. This approach included a new communication strategy that informed residents well ahead of time, making sure the fewest number of vehicles obstructed work crews.

Rethinking the strategy of snow clearing and removal ensured priority streets and freeways were clear of snow and ice. New ice melting products were brought to the task which helped keep Saskatoon's streets clear of ice.

Partnerships with other levels of government are critical to create a strong city and a high quality of life. In certain circumstances the Public Private Partnership (P3) model is the best choice. In 2014, more progress was made on the P3 North Commuter Parkway Bridge/Traffic Bridge project. It is anticipated the preferred proponent will be announced later in 2015.

The P3 contract was announced for the Civic Operations Centre which came in $25 million under the proposed budget. Construction is underway.

Saskatoon is partnering with the province of Saskatchewan on a P3 that will see the construction of four joint-use schools in Hampton Village, Rosewood, Evergreen, and Stonebridge. More than 360 day care spaces will be created inside the community centres in each of the four developments. Each of these projects is the result of smart planning and fiscal flexibility that comes with a refined approach to governance.

Critical investments were made in two other important infrastructure components, water and waste water. Upgrades to the waste water treatment plant resulted in a major reduction in odour from that facility. The water treatment plant expanded its capacity to meet the future needs of our fast growing city.

Our continued investment in safety and security has returned dividends to the community. More and more of our citizens who are struggling with mental health issues and addictions found help because of the Action Accord, and the Safe Streets Commission. The City of Saskatoon invested in the Housing First model led by the Plan to End Homelessness. Every citizen deserves a safe place to call home. The funding was extended for our Attainable Housing Program in 2014. This provided an additional 500 units bringing our total number of attainable and affordable homes built with the help of the City, to more than 3,700 since 2008.

Good money management also earned the City of Saskatoon another 'AAA' Stable Credit rating from Standard & Poor's. For more than a decade, the credit rating agency has recognized the City of Saskatoon as a city that does business in a responsible and innovative way, providing good value for resident's tax dollars.

In 2014, we continued to build a great city with smart investments, smart thinking, and innovative approaches to generate the best value for citizens. This is the way a 21st Century City does business; they create a higher quality of life for every citizen.

Donald J. Atchison, Mayor

CITY COUNCIL 2014

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council. The Council consists of the Mayor and ten Councillors, elected for a period of four years. Each Councillor represents a specific ward or area of the city.

City of Saskatoon

Mayor Donald Atchison

Councillor Darren Hill
Ward 1

Councillor Pat Lorje
Ward 2

Councillor Ann Iwanchuk
Ward 3

Councillor Troy Davies
Ward 4

Councillor Randy Donauer
Ward 5

Councillor Charlie Clark
Ward 6

Councillor Mairin Loewen
Ward 7

Councillor Eric Olauson
Ward 8

Councillor Tiffany Paulsen
Ward 9

Councillor Zach Jeffries
Ward 10

MESSAGE FROM THE CITY MANAGER

Murray Totland
City Manager

On behalf of the Administration, I am pleased to submit the City of Saskatoon's 2014 Annual Report: *The Roads Ahead*. This report contains information on the City's financial and non-financial performance over the year. It also includes a detailed Financial Discussion and Analysis along with the 2014 Consolidated Financial Statements. This report reflects the City's ongoing commitment to accountability, transparency, credibility, and clarity in financial reporting.

As one of the fastest growing cities in Canada, it is critical for Saskatoon to keep pace with growth in a fiscally responsible way, by ensuring a balance between the delivery of important services and building and maintaining our infrastructure. This is not an easy task, especially in a rapidly growing environment. However, the City of Saskatoon is up to the challenge of achieving this objective and is addressing this steady growth through our *Growth Plan to Half a Million*. This will ensure Saskatoon continues to be a great place to live for all!

The City of Saskatoon is building a strong track record of achieving what we set out to do. I am delighted to report that in 2014 we made progress on achieving many of our Strategic Goals, as we advanced several key projects and initiatives forward.

Before I elaborate on some of our accomplishments, I am proud to say that our strong financial planning helps guide our decision-making, and keeps us fiscally responsible. The City's financial stability provides a solid foundation for planning key projects and delivering the services our citizens depend upon each and every day, and it makes Saskatoon a municipal leader in Canada. Because of these attributes, the City was able to maintain our Standard & Poor's AAA Stable credit rating in 2014, and that continued to provide the financial flexibility to explore innovative and alternative ways to fund, finance, and deliver our important public infrastructure projects.

In 2014, City Council approved building the new North Commuter Parkway and replacement of the iconic Traffic Bridge, utilizing a Public Private Partnership (P3) project delivery method. The City was able to secure financial commitments from the federal and provincial governments in 2014, to help us in bringing these projects to life.

One of the major initiatives for the City in 2014, as the theme of this report conveys, was to continue with our work to improve the condition of our transportation network. More specifically, City Council approved an over $50 million dedicated investment for road construction, repairs, and maintenance through the *Building Better Roads* program. This set another bench mark for investment in our roadway network, representing a 47% increase over 2013.

Our disciplined and focused approach to increase our service levels, address road conditions, and traffic flow, will help ensure our economic growth, prosperity, and competitive business sector are sustained. An improved roadway network leads to more and better transportation options. This will result in an optimal flow of people and goods around the city, and in turn, a good quality of life for citizens.

But we know attaining a good quality of life doesn't end with smoother, better roads. Ensuring a balanced approach to dealing with the needs of a growing city and investing in the infrastructure and amenities that the citizens of Saskatoon rely on, is fundamental to our progress in building a more attractive and modern 21st Century City.

That's why in 2014 we also continued to make investments to support the building of complete neighbourhoods by offering diverse housing options including residential units supported by our affordable housing programs, attractive park and recreation spaces, providing active transportation options, and the creation of local employment opportunities. Of course, we remained committed to maintaining our core services like fire halls, water and wastewater service, and recycling.

Being fiscally responsible requires more than simply investing in the right projects and services. It also means finding ways to deliver a more efficient and effective organization. The City of Saskatoon is committed to this principle and in 2014 through our Continuous Improvement initiatives, we realized approximately $18 million in operational efficiencies and service level enhancements. This is an accomplishment we all can be proud of.

In 2014, City Council, guided by citizen and stakeholder feedback, began to define the specific performance measures that we will use to track and monitor measuring our progress towards achieving our Strategic Goals. From our dedication to improving our service, and growing the city in a sustainable way, to our focus on innovation and exploring new ways of doing business, these performance indicators will measure our successes, and align us with those targets that support our Strategic Goals.

To learn more about the City of Saskatoon's many achievements in 2014 and to review what Saskatoon residents received in 2014, I encourage you to look through the Major Projects and Initiatives highlighted in this report.

We will continue to capitalize on the roads ahead, on new opportunities, and on our continuous improvement. We will continue to invest in what matters most to residents, and we'll remain committed to the environment, sport, recreation, and culture. As we move along our path of growth, prosperity, and sustainability, I am most proud of the dedication of all City employees and teams, as we all work together to achieve our goal of providing a great quality of life for all residents of Saskatoon.

Saskatoon is indeed a city in transition. It remains my honour to serve as City Manager, and to assist City Council in guiding the City of Saskatoon to even greater successes by building our roads ahead into the great community we all desire.

Murray Totland, P.Eng., MBA, City Manager

HOW DO OTHERS SEE THE CITY?

Financially Sound

In 2016, the City received another AAA/Stable credit rating from Standard & Poor's (S&P), the international bond rating agency. The City has earned S&P's highest rating every year for more than a decade.

Third Fastest in Population Growth

According to Statistics Canada, the Saskatoon Census Metropolitan Area (CMA) recorded the third strongest growth rate among Canadian CMAs (3.3%), just behind Calgary and Edmonton. The population within city limits reached a quarter million, while the CMA population reached 300,000.

Second Highest in Immigration Growth

The Saskatoon CMA recorded the second highest immigration growth rate of 1.8% in Canada, just behind Regina at 1.9%.

Second in Overall Cultural Investment

Saskatoon was one of seven mid-sized Canadian cities to participate in a cultural investment study by Hill Strategies Research, a Canadian company specializing in applying social science research methods to the arts sector. Results show Saskatoon ranked 1st in operating, second in overall investment, fourth in capital investments, and sixth in grants.

Saskatoon Remains Entrepreneurial Hot Spot

Saskatoon ranks as Canada's third most entrepreneurial major city, just behind Edmonton and Calgary. Saskatoon has made the top five list in the Canadian Federation of Independent Business (CFIB) annual Top Entrepreneurial Cities ranking for seven consecutive years.

One of Canada's Best Diversity Employers

The City of Saskatoon was proud to be named one of Canada's Best Diversity Employers for the third year in a row in 2016. Saskatoon was singled out for its many community partnerships.

One of Saskatchewan's Top Employers

Also, for the third year in a row, the City made the list of Saskatchewan's Top Employers. The City continues to earn high marks for its employee benefits, worklife balance, employee development and training opportunities.

"Fostering diversity and inclusiveness is a must for an organization that aims to successfully serve the rapidly changing demographics of a 21st Century City."

– Murray Totland, City Manager

2016 Highlights... A Year of New Enhancements

Funding Announced for North Commuter Parkway and Traffic Bridge

In June, the provincial government committed $50 million in funding for the North Commuter Parkway Bridge, while the federal government committed $50 million for both the Parkway Bridge and the Traffic Bridge. The projects are part of the Bridging to Tomorrow initiative.

Accelerated Street Sweeping Program

Saskatoon streets were swept curb-to-curb in 31 residential neighbourhoods, 38 school zones, and 10 industrial and suburban centres in 2016. The "Curb Drive Sweep Team" was especially impressive, with up to 18 vehicles: two Saskatoon Police Service cars, two sign board trucks, two arrow board trucks, one video recon truck, three street sweepers, two tandem dump trucks, two skid steers, two water trucks and two field trucks. Moving at just a few miles/kilometres, the sweep team worked nights between 9:30 p.m. and 5:00 a.m.

Accessibility Initiatives

A significant number of curb ramps were installed in priority locations in 2016. The City met its commitment to install at least five new accessible/audible pedestrian signals (APS) in key commercial areas. The new APS signals are standard in new developments.

Business Licence Applications/Renewals On Online

As of January 2016, business operators were able to apply for and renew their Business Licence online. The secure, easy-to-use tool improves efficiency, adds value for business operators, and enhances Saskatoon's overall business friendly environment.

City's Launches Fun Web Mapping Apps

The City's Report a Pothole interactive app launched in March and quickly proved popular. Residents were able to report potholes on an interactive city map using their smartphone, tablet, or desktop. Esri Canada presented the City with an award for increasing citizen engagement through a geographic information system.

Following the successful launch of Report a Pothole, the City's Information Technology division developed and introduced four more interactive web mapping apps: Road Restrictions and Construction Projects, Utility Cuts and Repair Schedules, Saskatoon Services and Schedules, and the Public Art Collection.

2014 HIGHLIGHTS... A YEAR OF NEW DIMENSIONS

Improving Emergency Communications

The Emergency Measures Organization (EMO) launched NotifyMe, a new notification system that uses texts, voice mail, and e-mail messages to notify citizens of emergency situations. NotifyMe complements the City's existing Service Alerts, News Releases, Public Service Announcements, and social media alerts.

The City also added social media to its arsenal of communication tools, adding us @YKSServiceAlert on Twitter to inform citizens about traffic restrictions, unplanned service disruptions, and more.

Pet Licenses Renewable On Online

To encourage responsible pet ownership, while also making it easier for pet owners to re-license their pets, the City introduced a new system to allow online applications and license renewals. Increased pet licensing has allowed the City to develop and maintain more off-leash dog parks and other pet services.

Snowdrift Champions to Shovel on Bridges and Trails

The City took action to change the way it cleans snow from bridges and overpasses following an accident on the Circle Drive North Bridge in late 2013. New procedures for regular clearing minimize accumulation of snow along guard rails and barriers. To help prevent ruts on major roads, the City also adopted a proactive approach to early street grading to reduce snow pack.

Contractors Transit Stops with Benches and Shelters

Saskatoon Transit has installed 150 new benches at transit stops around the city. The modern benches include a recycling station to collect paper, cans, and bottles as well as medical cards.

Video Streaming City Council and Committee Meetings

The City began implementing the Electronic Agenda Management system and began video streaming standing committee meetings and City Council meetings.

"I just wanted to commend the City on the video streaming of committee meetings (and eventually City Council). ...Especially since we can't send reporters to everything, this is a huge help and saves a lot of time."

- Michael Wrobel, Reporter & Anchor, Saskatoon Radio Group

HOW DO CITIZENS SEE THE CITY?

"Saskatoon cherishes and builds upon what it values most: its people and their strong sense of community."

- City of Saskatoon Strategic Plan 2013-2023

Appreciation for our continuous improvement, and for feeling heard!

"Just thought I would mention how much I appreciate the recent changes you have made to the permit form and the overall responsiveness of your permit officers. I was very surprised to have given feedback at a builders' committee meeting and then a few days later see the comments reflected. This shows how committed you are to continuous improvement and your customers' feedback."

- Andrew Wagner, Maison Fine Homes

Recent upgrades to Shaw Centre gather positive comments and appreciation for event organizers

"I dropped by the Shaw Centre yesterday to visit with the organizers of the Swimming Canada Nationals. What a difference in the competition pool. It was amazing. The spectator area was a breath of fresh air, pardon the pun. Congratulations on the upgrades. The positive comments from the organizers and competitors will assist our city in attracting swim competitions on a regular basis to Saskatoon."

- Randy Ferreira, Director of Industry Development & Sport Tourism, Tourism Saskatoon

City residents thrilled with results of back lane repair

"We wish to thank you and your employees so much for having our alley repaired. I've spoken to the neighbours involved and they are all thrilled with the results. The work was completed in one day and by the look of it we will not have flooding for the first time in eight years."

- Scotty & Diane S.

Applause for City crews dealing with residential water main break

"I want to pass on kudos from a resident who lives in my area, but works on Hilliard Street. She said the City crews were fantastic when dealing with a water main break on that street. Please pass this on to your staff."

- Ann Iwanchuk, City Councillor, Ward 3

Resident pleased with Landfill staff acting as ambassadors for the City

"I've attended the Landfill on a few occasions lately and both my wife and I noted how well these folks present themselves as ambassadors for the City; they most certainly focus on courteous and friendly customer service."

- Nick B.

Building Better Roads & Enhanced Street Sweeping programs impress resident

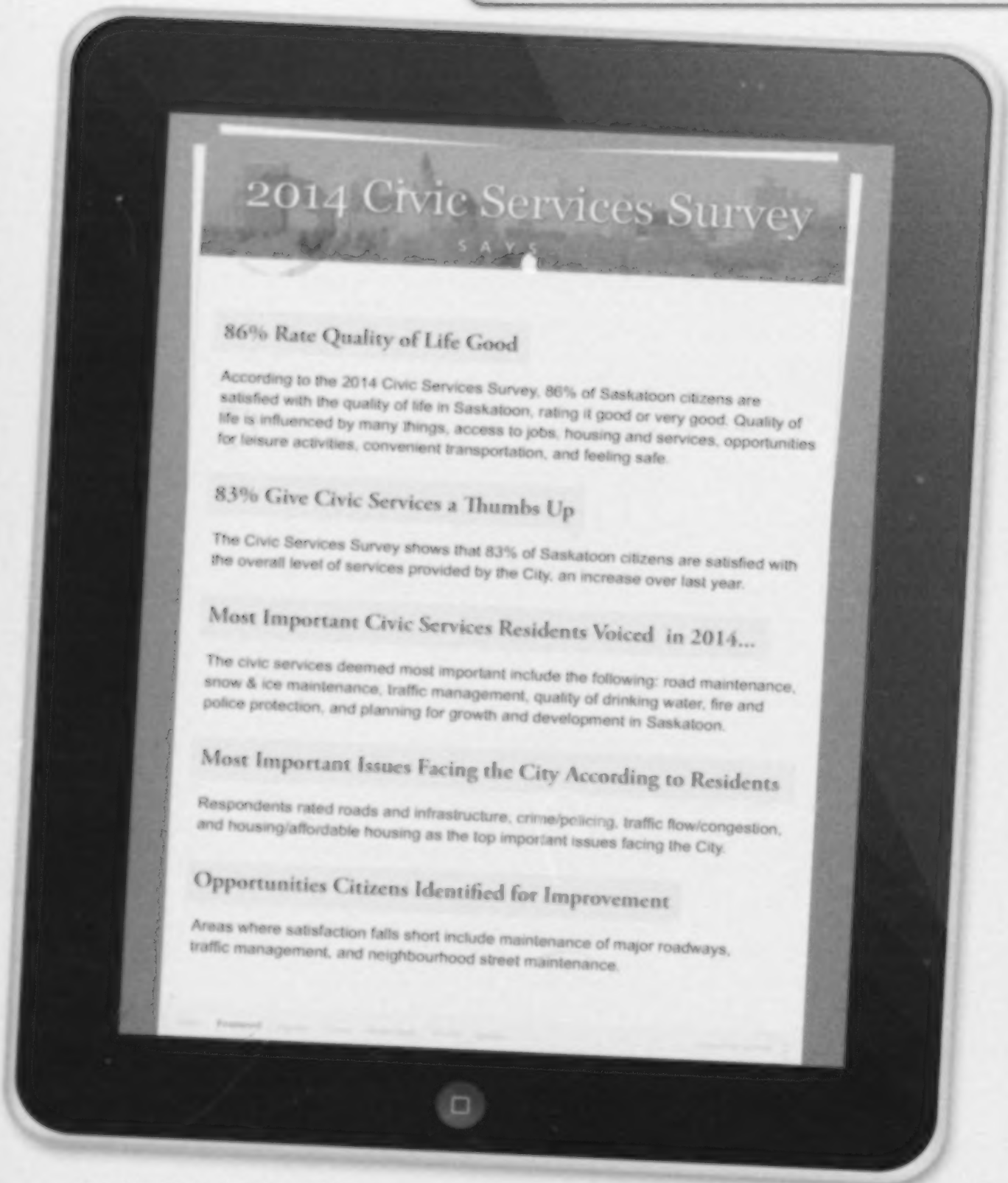
"Just got a very nice call from a gentleman who said he is very impressed with the streets this year, and the street sweeping program ... They haven't looked this good in the 10 years he has been here!"

- Brandyn Schell, Public Works to City staff

A great big thank you to Public Works… Marathoners enjoyed great trails!

"To Public Works: Mayor Atchison asked me to email KUDOS to you and your staff. He has heard nothing but good things about how great it was to have the MVA trails cleared of snow for the half marathon this past weekend. There were runners participating from Alberta and Saskatchewan and they stated how fantastic the trails were."

- Charlene Schlosser, Mayor's Office


2014 Civic Services Survey
SAYS
86% Rate Quality of Life Good
According to the 2014 Civic Services Survey, 86% of Saskatoon citizens are satisfied with the quality of life in Saskatoon, rating it good or very good. Quality of life is influenced by many things, access to jobs, housing and services, opportunities for leisure activities, convenient transportation, and feeling safe.
83% Give Civic Services a Thumbs Up
The Civic Services Survey shows that 83% of Saskatoon citizens are satisfied with the overall level of services provided by the City, an increase over last year.
Most Important Civic Services Residents Voiced in 2014...
The civic services deemed most important include the following: road maintenance, snow & ice maintenance, traffic management, quality of drinking water, fire and police protection, and planning for growth and development in Saskatoon.
Most Important Issues Facing the City According to Residents
Respondents rated roads and infrastructure, crime/policing, traffic flow/congestion, and housing/affordable housing as the top important issues facing the City.
Opportunities Citizens Identified for Improvement
Areas where satisfaction falls short include maintenance of major roadways, traffic management, and neighbourhood street maintenance.

INTRODUCTION TO BUSINESS LINES REPORTING

The City of Saskatoon implemented major changes to its planning and budgeting process in 2011 that established a new business plan, and integrated the City's operating and capital budgets. In part, this was done for the following reasons:

- The City of Saskatoon believes that the resources allocated to the various programs, services, and projects should be tied to clear and achievable plans.
- Because the City of Saskatoon's capital investments have a direct impact on the day-to-day operations, the City believes that by integrating the operating and capital budgets, it enables more effective management of the City's financial resources.
- By combining the operating and capital budgets, the full costs of funding the City's business lines are more clearly understood.

The City's approach to business planning and budgeting is intended to:

- Improve transparency and decision-making by providing City Council and citizens with more information about where City funds are used, linking service costs to service levels and outcomes, and better connecting long-term goals to short-term spending decisions.
- Increase the City's accountability in delivering services to citizens effectively and efficiently, while maintaining its focus on a sustainable future.
- Help the City transform its organization by providing for more regular, ongoing, and thorough examination of City services to ensure that services are relevant to citizens' needs and priorities.

BUSINESS LINES

Community Support

Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood- based associations and organizations.

Corporate Asset Management

Provides building operation and maintenance services for the City's buildings and structures, and manages its fleet of vehicles and equipment.

Corporate Governance & Finance

Provides administrative, human resources, information technology, and finance supports for all other business lines.

Environmental Health

Preserves and protects the long-term health of our urban environment.

Fire Services

Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

Policing

The Saskatoon Police Service works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Police Service, in partnership with City Council and the community, continue enforcement with proactive prevention, education, and early intervention strategies.

Recreation & Culture

Provides opportunities for citizens to participate in, and enjoy, the benefits of sport, recreation, culture, and park activities.

Taxation & General Revenues

The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.

Transportation

Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

Urban Planning & Development

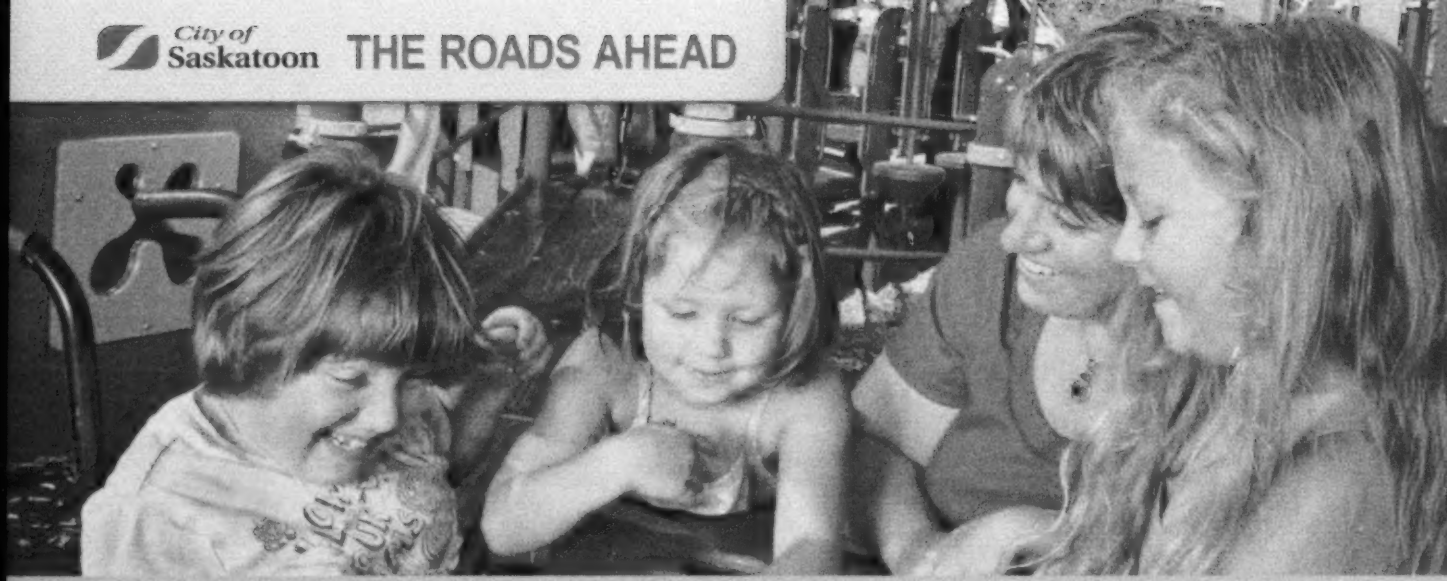
A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs, and achieving the desired quality of life expressed by our citizens.

Utilities

Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of waste water, recycling, and storm water management (Water & Sewer).

Land Development

Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.



Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood- based associations and organizations.

COMMUNITY SUPPORT

Saskatoon consistently ranks among the top cities in North America for quality of life. The City of Saskatoon defines quality of life as the sense of well-being achieved when people are physically and emotionally healthy, economically secure, safe, have adequate shelter, a sense of belonging, and share cultural and social connections.

Achieving quality of life for residents of Saskatoon requires the combined commitment of individuals, families, community organizations, service providers, and the City of Saskatoon. The Community Support business line provides both human and financial supports for community groups, as well as a broad range of City-led initiatives. These initiatives are aimed at building capacity in sport, recreation, culture, heritage, and social organizations and enhancing neighbourhood-based associations. The Community Support business line also provides subsidized or no cost programs where cost is a barrier for families or individuals. In addition, within this business line are services respecting dignity and addressing cost as a barrier in the services provided by Cemeteries and the Animal Control program. Further, economic development, tourism, and protection of our river valley are supported through contributions to the Saskatoon Regional Economic Development Authority (SREDA), Tourism Saskatoon, and the Meewasin Valley Authority (MVA).

Community supports often take the form of investments in community-based organizations. This approach ensures a balance between municipal leadership and community involvement in the development and revitalization of facilities, programs, and services, and the protection of Saskatoon's heritage buildings and structures. Partnerships and community collaboration continue to be keys to the success of this service delivery approach. Further, the human and financial leveraging facilitated through this approach is exponential.

2014 At A Glance

- Provides support and community investments to approximately 65 social agencies; 50 sports organizations; 52 community outdoor rinks; 47 community associations; 17 arts, culture, and heritage organizations; and, 19 community gardens.
- Provides in excess of $5.5 million in community support grants.
- Community support grants leverage both human and financial resources in the community-based organizations in excess of $48.0 million in self-generated revenue; $600.0 thousand in grants to the City; approximately 600,000 visits to cultural facilities; approximately 125,000 Community Association volunteer hours; 60,000 sport, culture, and recreation program hours; and, 161,300 program participants.
- Supports the stewardship of the natural and heritage resources along the river edges through our connection and supports to Meewasin Valley Authority.
- Supports expanding our economy through tourism by providing grants to Saskatoon Tourism.
- Supports economic development to ensure Saskatoon is a place to live, work, invest, and prosper through our supports to Saskatoon Regional Economic Development Authority.
- Coordinates programs designed to enhance the engagement of Aboriginal people, address racism and discrimination, and enhance racial harmony.
- Facilitates community engagement processes.
- Maintains Woodlawn Cemetery and Nutana Pioneer Cemetery.
- Subsidizes approximately 175 spay or neuter surgeries a year.
- Subsidizes approximately 88,000 Leisure Access visits to leisure facilities a year.

Major Projects and Initiatives 2014

Collaborating on an Age-Friendly City

- The City continued its collaboration with the Saskatoon Council on Aging (SCOA) as part of its seniors' policy framework and action plan. Phase 2 of the Age-Friendly Saskatoon initiative was presented and SCOA began discussing recommendations with civic staff. Work continues on the final evaluation and outcome measures phase of the Age-Friendly Initiative.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2014

Coordinating Community Funding

- The City is a partner in the Saskatoon Collaborative Funding Partnership (SCFP). The partnership reviewed the efforts of funding partners and presented recommendations for strategic coordination. An implementation plan is currently being developed.

Enhancing Aboriginal Engagement and Leadership Opportunities

- The City hosted the first ever Aboriginal Community Gathering, a community engagement event that gathered input from urban Aboriginal residents on civic/community programs and services.
- As part of the Urban Aboriginal Leadership Program, the Atoske Alumni group was established to enhance networking and training opportunities for Aboriginal youth. The City also sponsored the fall networking event of the newly established Saskatoon Aboriginal Professional Association.
- A new leadership program for Aboriginal Youth was developed in partnership with the Saskatoon Tribal Council Justice Unit.

Mapping Cultural Resources

- The City continued its partnership with the University of Saskatchewan to update and expand Saskatoon's cultural facilities map and inventory. The inventory recorded 274 spaces where culture is created, performed, taught, or exhibited.

Ongoing Focus on Making Saskatoon More Accessible

- The Corporate Accessibility Action Plan is a collaborative, long-range, ongoing effort to address the accessibility of civic facilities, programs, services, and infrastructure. As part of the action plan, the City met its annual target of installing five new audible/accessible pedestrian signals and curb ramps in priority locations, and developed a webpage dedicated to accessibility initiatives.
- The City launched a review of its current building and design standards with the goal of aligning them with National Building Codes and Accessibility Design Standards.

Continued . . .

Major Projects and Initiatives 2014

Shifting Focus to Anti-Racism Awareness and Education

› As part of a shift in focus from multiculturalism to anti-racism education and awareness, the Cultural Diversity Race Relations (CDRR) office distributed an educational activity kit to school division partners and began developing an "Understanding Racism" curriculum for delivery to civic staff.

Supporting Community Associations

› Work began on a long-term, cost-effective plan to support Saskatoon's Community Associations, which provide quality, affordable, neighbourhood-based sport, culture, recreation, and parks programs.

City of Saskatoon THE ROADS AHEAD

Provides building operation and maintenance services for the City's buildings and structures, and manages its fleet of vehicles and equipment.

CORPORATE ASSET MANAGEMENT

The Corporate Asset Management Business Line provides support and services for all civic programs and departments including building operations and maintenance services for City buildings and structures such as leisure facilities, fire halls, transit buildings, civic offices, libraries, galleries, Police Headquarters, and other associated services for TCU Place and SaskTel Centre.

The Fleet Services program within this business line provides equipment management services for the Corporation's vehicles and equipment fleet, including purchasing, leasing, maintenance and repair, fuel distribution, and operator training.

The City employs a comprehensive maintenance program for the preservation of facilities and fleet infrastructure. This program combines preventive maintenance with cyclical infrastructure renewal to ensure facility and fleet assets are optimized for longevity.

2014 At A Glance

- Building value: $1.21 billion; Contents value: $244.2 million.
- Total building areas: 359,550 square meters.
- Vehicle parking areas maintained and operated: 92,268 square meters.
- Total number of play structures maintained: 184.
- There are a total of 28,670 park furnishings maintained in 233 parks.

- Pools maintained and operated: 4 indoor; 4 outdoor; 32 paddling; 16 spray.
- More than 9,300 assets maintained via the Comprehensive Maintenance Program.
- 15,120 work requests issued through Facilities (average 126/working day); 11,160 work requests issued through Fleet Services (average 46/working day).
- There are 1,300 vehicles and equipment in the City's fleet worth a book value of $60.0 million.
- Diesel & gasoline consumption: 3.6 million litres per year from 23 separate fueling stations.
- Total number of trunked radios on radio system: 1,403 worth a book value of $15.2 million.

Major Projects and Initiatives 2014

Asset Management System

- A new system to measure, monitor, and report on how service levels are being met was implemented.

Civic Operations Centre

- New Snow Storage Facility – A builder/proponent was selected for a P3 project to construct a Permanent Snow Storage Facility at the new Civic Operations Centre (COC). Potential satellite snow storage sites were also identified.
- New Transit Facility – A builder/proponent was selected for a P3 project to construct the new Transit Facility at the COC to house buses, maintenance, and administration offices.

Civic Square East

- To address demand for more civic office space, current and long-term, the City purchased the former Canada Post building across from City Hall and renovated the second, third, and fourth floors. "Civic Square East" brings together divisions formerly housed in leased space around the city, including Construction & Design, Neighbourhood Planning, Environmental & Corporate Initiatives, Occupational Health & Safety, Clerks Corporate Records, Labour Relations, and Long Range Planning.

Continued

BUSINESS LINES

Major Projects and Initiatives 2014

Energy Management Program

- As part of the Energy Management Program, installation of electricity monitoring equipment was completed for 14 civic buildings, including SaskTel Centre and Civic Square East. Installation of combined heat and power units at Lakewood Civic Centre and Shaw Centre are nearing completion.

Remote Trunked Radio System

- The City added a remote radio communications site on the city's west side to alleviate radio coverage issues. Radio frequency coverage testing and mapping on the city's west side is ongoing.

Reserve for Replacement of Assets

- The City is developing a reserve to address the replacement of assets in areas directly adjacent to civic facilities. Details and a capital project were developed and initial project funding has been established in the 2015 Capital Budget.

Financial administration, human resources, information technology, and Council support for all other business lines.

CORPORATE GOVERNANCE & FINANCE

The Corporate Governance & Finance business line provides essential direction and support for the City of Saskatoon in three main areas:

- Governance
- Finance
- Performance

The leadership and expertise that City staff provides in these important areas help ensure the smooth, seamless delivery of programs and services to residents, businesses, organizations, and stakeholders.

Corporate governance oversees legislative and legal compliance, and implements strategic corporate programs to support City Council and the Administration. Corporate governance includes the Offices of the City Manager, the City Solicitor and the City Clerk and carries out the legislated duties of the Corporation, as defined in the Saskatchewan Cities Act. The City Manager's office also administers the corporate Risk Based Management System, which is intended to ensure that significant risks facing the City are addressed in a positive, systematic, and productive way.

The Chief Financial Officer (CFO) provides corporate financial leadership to City Council and the Administration. The CFO reports to the City Manager and partners with the General Managers on the overall development and deployment of financial plans and strategies to enable effective program and service delivery. The CFO is also the General Manager of Asset & Financial Management.

A key function of the Corporate Governance & Finance business line is to operationalize the City of Saskatoon's mission and vision by aligning organizational performance with the Strategic Plan. Through sound management and

BUSINESS LINES

strong governance, the business line supports other divisions within the organization in achieving the seven Strategic Goals.

By focusing on continuous improvement and performance measurement, the organization strives to provide the best possible services being innovative and creative. Enhancing effectiveness and improving efficiency allows for the delivery of affordable and sustainable programs to citizens. This ensures the Administration continues to focus on its long-term goal of managing the Corporation in a smart, sustainable way.

The Corporate Governance & Finance business line contains several additional employee and organizational services that ensure corporate support functions work together to help front-line staff deliver quality services to the citizens of Saskatoon. Keeping citizens informed through community engagement and corporate communications are two important functions of the Corporate Governance & Finance business line.

Employee and organizational services include:

- human resources;
- strategic & business planning;
- government relations;
- aboriginal affairs;
- corporate communications;
- customer service;
- information technology; and,
- billing and collection of revenue.

2014 At A Glance

- The total Corporate Operating Budget for 2014 was $411.9 million.
- The total Corporate Capital Budget for 2014 was $381.1 million.
- There are 11 elected officials consisting of the Mayor and 10 Ward Councillors.
- There are 12 unions and associations within the City's organizational structure.
- The assessed value of all property in Saskatoon is $35.4 billion (taxable $31.4 billion) for 2014.
- There are 18 Joint Occupational Health & Safety Committees representing employees from every department in the City's organizational structure.
- In 2014, there were 3,528 full time equivalent (FTE) operating and capital budget positions for 2014. Currently there are 3,936 permanent employees (includes full time, part time, and job share employees).

Major Projects and Initiatives 2014

Continuous Improvement Strategy

- Civic Service Reviews (CSR) were completed for Parks and Roadways. A Waste Handling CSR was initiated to identify savings and increase efficiencies in Collections and Landfill operations, and a Fleet Services CSR was started to review procurement and service of civic vehicles and equipment. The New Commercial Business Licence application process was also reviewed.
- City employees participated in Innovation Practitioner Training to become Innovation Coaches and learn to use innovation tools to generate ideas and facilitate more effective discussions.
- The City of Saskatoon's innovation efforts were featured in the October issue of Municipal World Magazine.

Service Saskatoon – Improving Customer Service

- Service Saskatoon is a coordinated approach to responding to calls and inquiries from citizens. A key component is providing one-stop, personalized access to City services by phone (including mobile), internet, or in person.
- Extensive public consultation helped define citizen-centered services for the new City of Saskatoon website to improve the online service experience.
- The Report a Pothole pilot project launched in March allows citizens to report a pothole/make service requests online and allows civic staff to report back when work is complete.
- A Steering Committee was established to guide the overall approach to the Service Saskatoon 311/CRM system. To enhance customer service and provide a more coordinated approach, a Customer Service Team was created. Partnerships with experts in the delivery of excellent customer service were also explored.
- As part of Building Better Roads, additional online maps were launched, including Road Restrictions and Construction Projects, Utility Cuts and Repair Schedules, and Snow Grading - Progress Schedules, and Parking Bans. A Customer Service Manager was hired in Building Standards as a key point of contact.

(continued)

BUSINESS LINES

Major Projects and Initiatives 2014

Saskatoon.ca – Redesigned Website Engages Citizens

- The redesign of the City of Saskatoon website began with a kick-off meeting between the Project Steering Committee and zu, the local firm engaged on the project. An Internal Project Team was established to develop content, and internal workshops were held to map out current and potential future services.
- In May, an online project engagement site was launched to inform and involve residents in discussions and testing. The site had over 5,000 visits from 4,000 users in 2014. Residents completed over 1,000 surveys and online exercises, and voted 1,400 times on polls about the new site.
- A preview of the new website was launched on November 27, and a representative sample of residents and businesses participated in user testing in December prior to the official launch in early 2015.

Taking Care of City Business

- Staged implementation of an Electronic Agenda Management system and video streaming for standing Committee meetings began in the fall, beginning with City Council, Executive Committee, and Standing Policy Committee agendas, minutes, and meetings.
- As a first step in developing a formalized corporate strategy philanthropic policy, a student intern was assigned to research information relating to policies and practices used in other cities.
- Development of a Long-Term Financial plan began which combines financial forecasting with financial strategizing to identify future challenges and opportunities, causes of fiscal imbalances, and strategies to secure financial sustainability. A draft of the Long-Term Financial Plan will be tabled in early 2015.
- The succession planning framework and a guide to succession planning were developed and the framework was presented to the Leadership Team to assess internal readiness for General Manager and Director positions. The succession planning framework and guide to succession planning will be presented to the Senior Management Team in 2015.

Preserves and protects the long-term health of our urban environment

ENVIRONMENTAL HEALTH

A healthy environment is essential to a healthy population, now and in the future. The City of Saskatoon demonstrates Environmental Leadership through a number of programs, services, and activities under the Environmental Health business line. These initiatives enable the city to grow in harmony with nature and effectively preserve and protect the long-term health of the environment in which Saskatoon is built.

Saskatoon's Waste Handling Services form the core of this business line. Air, water, and land protection are the critical motivators behind the services provided under this business line, and the particular focus of Environmental Programs. Guided by plans, strategies, and environmental regulations, the impact of our activities is reduced for the benefit of citizens today and tomorrow.

Initiatives include: collection and management of solid waste; recycling and composting program development and management; implementation of environmental programs to reduce energy use and the emission of greenhouse gases; stewardship of hazardous waste; responsible management or remediation of contaminated City-owned sites; water and air quality protection; management of Saskatoon's urban forest; prevention of the spread of insect and plant pests; and, environmental policy development. These programs and services are delivered by three divisions: Environmental & Corporate Initiatives, Parks, and Public Works.

The City is expected to be a leader in environmental stewardship. Environmental & Corporate Initiatives supports and facilitates environmentally friendly and sustainable practices for improved environmental performance both by the corporation and the community at large.

BUSINESS LINES

2014 At A Glance

- Parks division maintains the health and beauty of over 105,000 park and boulevard trees.
- Landfill receives approximately 117,000 tonnes of garbage annually; 55% is residential garbage.
- In addition to recycling and composting programs provided by the waste services utility, waste diversion programs collect over 50,000 kilograms of hazardous waste and 2,700 tonnes of recyclable paper and cardboard at public depots.
- Pest Management monitors and treats 950 kilometers^2 of land in and around Saskatoon for mosquito larvae, monitors approximately 33,000 American Elm for Dutch elm disease, manages nuisance wildlife, and administers the provincial Noxious Weed Act through Inspection Services.

Major Projects and Initiatives 2014

Air Quality Monitoring

- In addition to renewing its membership in the West Yellowhead Air Management Zone, the City provided monitoring station locations to support the Saskatchewan Ministry of Environment's air quality monitoring study in Saskatoon and joined 39 organizations in the new Air Management Zone, which will guide air protection efforts in the region.

Clean Energy Project

- The Landfill Gas Collection project was completed and commissioned, and operation of the Power Generation Facility began in 2014.

GPS Route Optimization for Garbage Service

- City garbage trucks were outfitted with GPS systems and onboard cameras, computers, and barcode readers, while barcode tags were applied to 66,000 black garbage carts and green yard waste carts. The route optimization initiative seeks to improve service and achieve cost savings through efficiencies.

Continued . . .

Major Projects and Initiatives 2014

Energy Efficient Fleet

- As part of ongoing efforts to optimize the energy efficiency of civic vehicles and equipment, the City continues to implement the use of biofuels, compressed natural gas, pilot projects, and route optimization using GPS in its vehicle and equipment fleet.
- New heavy fleet equipment procurement standards, including compliance with Canadian regulations for diesel engine performance and emission standards were implemented to improve fuel economy and achieve a 30% reduction GHG production per engine through its service life.

Greenhouse Gas (GHG) Reduction Plan

- The City has updated its GHG emissions inventory, developed an Energy and GHG reduction Business Plan, and established an Environmental Sustainability Reserve.
- GHG emissions from civic operations were estimated for 2013 and projects that would achieve a 30% reduction below 2006 emissions levels were identified. A business plan was presented to City Council in the fall.

Multi-Unit Recycling Program

- The City worked with Cosmopolitan Industries to finalize the terms and reporting requirements for a contract to collect recycling from multi-unit residential buildings. The program was launched in the fall and will be fully functional by the spring of 2015.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2014

Landfill Optimization

- Implementation of the Landfill Optimization master plan continued. The Leaves & Grass (Green Cart) Collection Program was expanded to reduce the amount of organic material going to the landfill. Other waste diversion initiatives include the multi-family recycling program, city-wide organics management strategy, and Recovery Park.
- At the Landfill, efforts to maximize airspace while managing environmental and safety risks and also improving customer service continued. Additional groundwater monitoring points were established, and the Alternative Daily Cover project was fully implemented to help reduce litter and leachate generation and extend the life of the landfill.
- A new vision for Recovery Park was developed to integrate the long-term needs of the landfill with the needs of existing and future waste management and recycling programs (including household hazardous waste, construction material recycling, composting and construction soil re-use). The business case for engaging the private sector in the proposed vision will be developed in 2015 with construction scheduled for the 2016 season.

Procurement Strategy

- The City piloted a 10-step action plan as part of its sustainable Procurement Strategy to maximize the economic, social, and environmental benefits of City purchasing practices. A Procurement Committee was created to update Corporate Purchasing Procedure Policy to ensure City purchases meet environmental criteria.

Soil Handling Strategy

- The Soil Handling Strategy establishes soil protection and remediation policies and procedures for City-owned properties. Contaminated soils have been managed under the strategy for 15 civic projects. Progress in 2014 includes a conceptual design of a temporary storage site, a strategy for responsible encapsulation and re-use of soils, sweepings and other inert materials, staff training on regulatory requirements, and consultations with internal City stakeholders.

Continued . . .

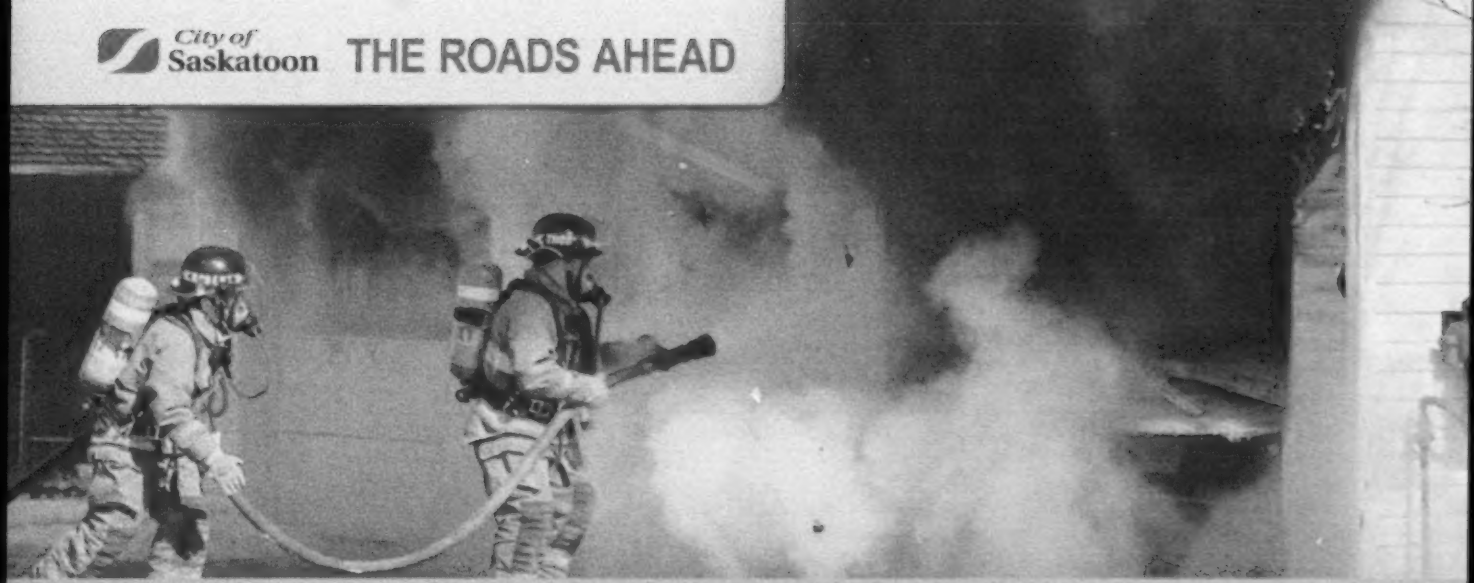
Major Projects and Initiatives 2014

Storm Response Policy

› The City's Urban Forestry section developed a formal Weather Response Plan to address tree related issues caused by major wind storms. The plan is now included in the Parks Emergency Response Manual.

Watershed Protection

› The City continued to participate in the South Saskatchewan River Watershed Stewards. Initiatives included partnering with the University of Saskatchewan on a proposal for the creation of a water allocation strategy to ensure a sustainable supply of quality drinking water into the future, and participating in discussions on the development of a province-wide Master Naturalist Program, to be piloted in Saskatoon.



Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

FIRE SERVICES

The Saskatoon Fire Department (SFD) is responsible for emergency planning and response to be able to mitigate all incidents of concern within the city of Saskatoon and surrounding RMs that are covered by applicable service agreements. The Department's responsibility to enforce the above initiatives is through both *The Fire Prevention Act 1992* (soon to be *The Fire Safety Act*) and *The Emergency Planning Act*. The responsibilities of the Saskatoon Fire Department are enabled through *The Cities Act* and then Saskatoon Fire and Protective Services Bylaw 7990 within Part II, Section 4, codified June 18, 2012. The SFD combines enforcement with proactive prevention and education to align with the City's Strategic Goal of Quality of Life, wherein public safety is a key success driver.

2014 At A Glance

- The SFD has 334 staff with 280 in the Operations division and the remainder within the Administration, Prevention, Training, Emergency Measures and Support divisions. The operational staff currently operates 12 front line engines and two aerials out of nine fire stations. In 2014, crews responded to 12,236 emergency and non-emergency calls not including inspection activity or community engagement events.
- Through the Fire Prevention division and Operations, over 2,300 fire inspections were carried out under Bylaw 7990 including Day Care and Care Homes. Property Maintenance and Nuisance Abatement Bylaw 8175 saw 2,145 complaints which generated 3,298 inspections and re-inspections.
- SFD continues with the Saskatchewan Rental Housing Supplement Program to improve the overall standard

of rental properties in the city. The Fire Prevention division will inspect up to 1,040 single family rental properties to assist clients of social services.

- Through a tiered-response agreement with the Saskatoon Health Region, SFD plays a major role in the delivery of pre-hospital care to the citizens of Saskatoon. Another area of support is through Needle Safe Saskatoon where Fire picks up discarded needles in public spaces.
- A new initiative for 2014 was the introduction of Notifynow, the City's mass notification system through the Emergency Measures Organization (EMO). During an emergency affecting the city or a resident's neighbourhood, the system enables the City to communicate critical safety information to citizens with the push of a button. When residents sign up, they can choose how they wish to be notified via their home, work or cell phone, or email.

Major Projects and Initiatives 2014

Derelict Structures and Vacant Properties

- The Derelict Structure Program is a coordinated approach to address the issue of derelict buildings. A report was submitted to City Council on vacant properties, and the SFD continues to explore options.
- Work continues on identifying vacant properties and tools for encouraging improvements or development on these sites. The Planning & Development division submitted a report to City Council with interim recommendations.

Fire Department Office and Training Facilities

- Ongoing meetings focused on establishing a private/public partnership for a proposed training center to be built in conjunction with the Civic Operations Center. An addition to Fire Hall No. 1 would accommodate an accessible communications center.

Fire Station No. 10

- After a fire deployment analysis determined that the site of the new North West Sector fire station should be moved to Elk Point (near Latrace Road and Claypool Drive), the City recommended that Saskatoon Land sell the current location and seek a location in Elk Point.

The Saskatoon Police Service works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Police Service, in partnership with City Council and the community, combine enforcement with proactive prevention, education, and early intervention strategies.

POLICING

Surveys from the public indicate that nine out of ten residents believe Saskatoon provides a good quality of life. Public safety is key to this perception, and is also essential in a healthy, growing community. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

The Saskatoon Police Service (SPS) completed a core service review and decided upon its core responsibilities: Emergency Response, Quality Investigations, Traffic, and Community Involvement. The redeployment in 2007 positioned the SPS in a very operational stance, with almost all sworn members directly dealing with the public. In an effort to further increase efficiency the SPS will conduct a service review related to dispatch calls for in the spring of 2015.

The SPS works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The SPS, in partnership with City Council and the community, combine enforcement with proactive prevention, education, and early intervention strategies.

2014 At A Glance

- SPS has 442.5 police officers, 58.5 special constables, and 132.6 civilians for a total of 633.6 staff members.
- There were 256,793 calls to the communication centre, and cars were dispatched to 71,790 calls for service.
- There were 10,733 arrests processed through the detention area.
- There were 34,845 traffic tickets issued.

Major Projects and Initiatives 2014

New Headquarters for Saskatoon Police Service

- Official opening of the new headquarters occurred on July 16. The following benefits are now being realized:
  - The entire police service is located in one building.
  - Saving $1.2 million yearly leasing costs for office space.
  - General training, firearms qualifications, and use of force training is now conducted on-site vs off-site.
  - Adequate space for current staff now and into the future.

Upgraded Radio System

- An upgraded P25 compliant trunked radio system for the entire corporation is housed in the new Police Headquarters. The new system contains current technology and a readiness for the next generation of 911, inclusive of texting and video streaming.

Implementation of a joint City Police/RCMP Combined Traffic Service

- A joint City Police/RCMP regional traffic unit was created. The unit is fully funded by SGI and the Province of Saskatchewan. The unit conducts traffic enforcement within the city and surrounding areas of Saskatoon.

Provide opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities.

RECREATION & CULTURE

The Recreation & Culture business line provides a wealth of opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities. Such activities are a core element of Saskatoon's quality of life, and an essential part of individual and community health.

One of the City's over-arching goals is to encourage as many citizens as possible to take advantage of the recreation and cultural activities available. In order to do this, the Recreation & Culture business line operates a number of facilities, provides direct services and programs, and provides support to community-based organizations involved in delivering programs and services. Saskatoon's parks and open spaces provide areas for citizens to play sports, walk, wheel or bike along pathways, and play in playgrounds and paddling pools. In addition, river valley parks are home to many of Saskatoon's festivals and major seasonal special events enjoyed by citizens and visitors to the area.

2014 At A Glance

- City-operated sport, culture, and recreation facilities attract over 1.5 million visits a year.
- The business line delivers paid admission programs and services, including swimming, skating, fitness, recreation, golfing, the zoo, and horticulture displays.
- There were 14,350 registered program hours; 15,500 people registered in swimming lessons; 122,700 rounds of golf played; 68,100 hours available for drop-in programs; and, 35,200 hours rented to community organizations.

- There were 273,100 visits to the Forestry Farm Park and Zoo, and 12,100 visitor nights at the Gordon Howe Campground.
- The Business Line supports community associations in providing 11,000 hours of year-round low cost or no cost neighbourhood-based sport, culture, and recreation programs to 12,000 registrants.
- Approximately 5,200 acres of park/open spaces and 145 kilometers of park pathways are maintained.
- There are outdoor sport fields for activities such as softball, baseball, soccer, slo-pitch, lacrosse, football, speed skating, rugby, and field hockey.
- The neighbourhood summer playground programs with visitation reaching 138,500 included the operation of 30 paddling pools, 17 spray pads, 11 youth centres, 2 travelling program vans, and 2 mobile skateboard animators.
- Provides venues for major sport, culture, and entertainment events, including Mendel Art Gallery, River Landing, SaskTel Centre, and TCU Place.
- Supporting 17 major culture organizations which attract approximately 600,000 annual visits.
- $2.75 million in inventory of public art is owned and maintained by the City.
- Recently facilitated a major donation of The War of 1812 commemorative art work from Whitecap Dakota First Nation valued at $500.0 thousand.
- Supports various community-based boards and agencies which in turn provide programs and services in visual art, performing art, and cultural heritage, including the Mann Residence and Albert Community Centre.
- On average 1,200 trees are planted annually in reforestation projects and new park development.
- River Landing is 14.8 hectares (36 acres) of pathways, green space, public art, a seasonal concession, children's water play feature, Farmers' Market, public and private development, with almost 300,000 annual users of the riverfront trail.
- The public infrastructure for River Landing was completed in the fall (outdoor adult fitness circuit and surrounding green space), and it is the location of many special events and major festivals including WinterShines, Subaru Triathlon, Magathon, and the PotashCorp Fireworks Festival.

Major Projects and Initiatives 2014

Benchmarking Saskatoon's Cultural Investment

- As part of a benchmarking process, Saskatoon was one of seven mid-sized Canadian cities to participate in a study to measure cultural investments between 2009 and 2012. Over the four year period, Saskatoon ranked first in operating, second in overall investment, fourth in capital investments and sixth in grants. Report findings are being used to frame future arts and culture policy development.

Implementing Saskatoon's Culture Plan

- *Cultural Assessment*: A list of qualifying capital projects was completed as part of ongoing work to develop a process for determining opportunities for cultural expressions in civic places and spaces.
- *Cultural Facilities Map and Inventory*: The City continued to partner with the University of Saskatchewan to update the resource, which illustrates the scope of culture in Saskatoon, both city-wide and at the neighbourhood level. The inventory recorded 279 cultural spaces.
- *Culture Grant Program and Cultural Grant Capital Reserve*: Changes made as part of a long-term strategy to support the cultural sector were applied to the 2014 grant allocation.
- *New Interdepartmental Culture Team (ICT)*: Established to support implementation of Saskatoon's Municipal Culture Plan, the ICT supports collaborative relationships among civic departments and provides advice on effective use of resources to achieve Culture Plan objectives.
- *New Public Art Policy*: City Council adopted a new public art policy that provides a more contemporary approach to how public art is defined, planned, funded, and adjudicated.

Kinsmen Park Redevelopment

- Construction began on Phase 1 of the Kinsmen Park and Area redevelopment. By year's end, the ferris wheel, train track loop, Forest Fountain, wooden log climber, and pyramid slide had all been installed, concrete curb and edging work had been completed in the play area/water feature, work was progressing on the buildings (e.g., ticket booth, train tunnel), and repainting of the carousel animals was underway. Remaining work is expected to be complete in 2015.

Continued

Major Projects and Initiatives 2014

New Off-Leash Dog Recreation Areas (OLRA)

- A new, fully fenced dog park opened in Caswell Hill, while construction of the Hyde Park dog park began and public consultations on a third dog park in Hampton Village got underway. As a result of feedback from public consultation on a proposed dog park in Hampton Village, the City completed an alternate dog park design for presentation to City Council in 2015.

Remai Modern Art Gallery of Saskatchewan

- Construction on the Remai Modern AGS was approximately 40% complete by year's end. The Art Gallery is scheduled to open in 2018.

River Landing Phase 2

- The first phase of construction at River Landing was completed, including an accessible walkway from the Spadina Crescent roundabout to the riverfront. The Adult Fitness Circuit area opened in August and most landscaping in the area was completed, with some clean-up planned for spring 2015.

Sport, Culture, and Recreation

- Representatives from the City, YMCA, and Saskatoon Tribal Council met several times during the year to discuss partnership opportunities for building a sport, culture, and recreation facility in the city centre. A needs assessment and feasibility study is scheduled for 2015.
- Strategies to attract groups to rent space at Saskatoon's civic leisure centres during low use times were developed and implemented, with a future emphasis on developing partnerships and strategic marketing tools.
- A consultant was hired to develop a master plan for sport, culture, recreation, and parks. A steering committee and community feedback group were established and preliminary research was completed. The community engagement phase included a telephone survey of 600 Saskatoon residents, a web survey on ShapingSaskatoon.ca, a stakeholder survey, and a student survey. Two public open houses were held in November and visioning Workshops with steering and community feedback committees were held in December.

The property levy is the amount required from property taxes to balance the operating budget. The levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes on those properties that were changed in the current taxation year and not a part of the original levy. Other revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.

TAXATION & GENERAL REVENUES

Grants-in-lieu of taxation are received from Federal and Provincial governments for properties they own but are exempt from taxation. These are equivalent to the property taxes calculated on these properties and application is made to the governments to pay this amount. In addition, the most significant portion of grants-in-lieu of taxation comes from civic utilities such as Saskatoon Light & Power (SL&P), water, wastewater, and storm water. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct its business.

Included in the levy are amounts related to recently annexed properties. The annexation cost is amortized over the agreed upon number of years used to calculate the annexation provision to the RM of Corman Park and is expensed as Tax Loss Compensation.

Also included in this Business Line are General Revenues that are not dedicated for any particular purpose other than to fund general administration and the provision of any and all programs and services.

2014 At A Glance

Preliminary Assessment Roll for 2014:

Total Assessment for Saskatoon	$39,440,307,700
Total Number of Properties	87,662
Total Number of Taxable Residential Condos	18,919
Total Number of Taxable Residential (less than 4 units)	61,436

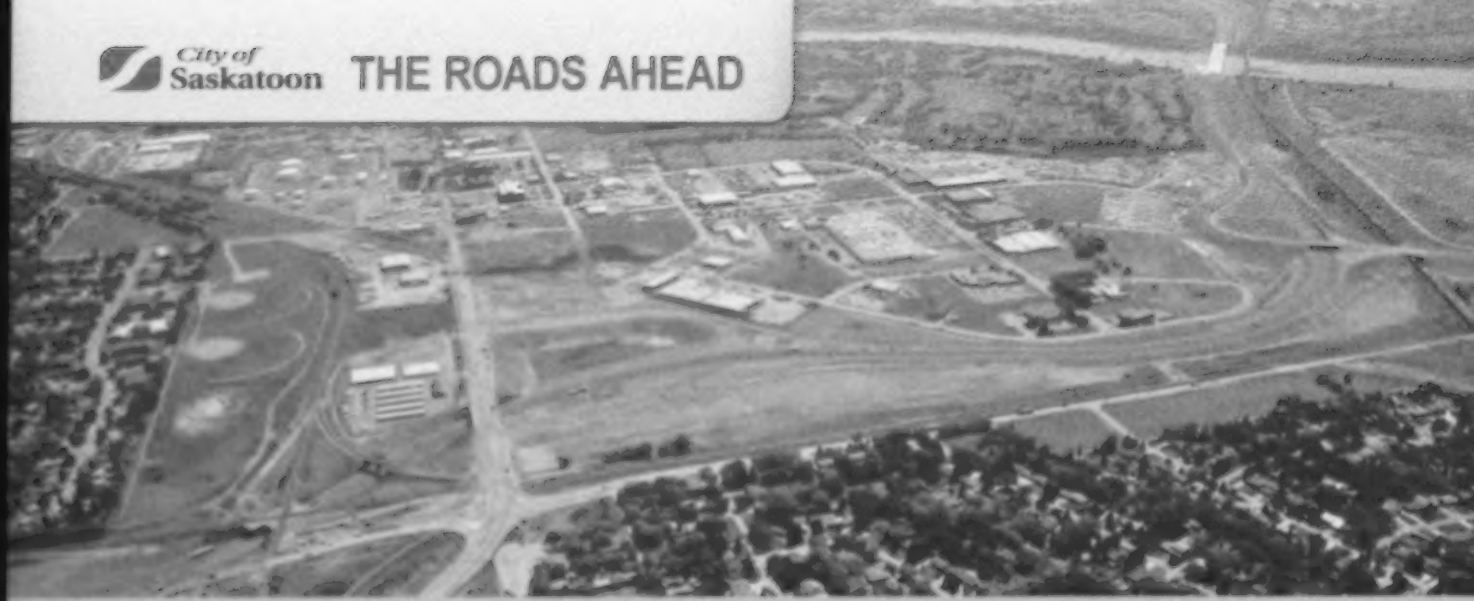
Taxable Assessment:

Total Taxable Assessment	$31,444,251,655
Taxable Portion	$24,119,798,399 (76.7% of total)
Exempt Portion	$7,324,453,256 (23.3% of total)

Major Projects and Initiatives 2014

Exploring Alternative Revenue Sources

- The City continues to investigate alternative revenue sources to help alleviate pressure on the Property Tax Levy. The provincial revenue sharing formula, federal gas tax revenues, and the extended Building Canada Fund all assist with operating and capital funding.



Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

TRANSPORTATION

Saskatoon is growing in geographic size as well as population. As the city grows, the challenges involved in safely and efficiently moving people, services, and goods around is become increasingly complex. The Transportation business line brings together a wide range of City services and programs, each of which plays an important role in meeting the transportation needs of the city.

Transportation involves planning, design, building, maintenance, operation, and regulation of the City's expanding transportation systems. This includes facilities for all modes of travel - pedestrian, bicycle, vehicle, and public transit. Saskatoon Transit provides fixed route service on designated bus routes as well as service for people with mobility issues. Discounted passes are offered to citizens with low income to assist with their transportation needs.

Transportation also involves traffic signal operation, parking control and enforcement, street lighting, seasonal lighting, sidewalk and back lane maintenance, traffic noise attenuation, street sweeping, and snow and ice management. In addition, it provides services for maintenance and rehabilitation (preservation) of all roadway assets including roads, bridges and overpasses, sidewalks, back lanes, and pathways.

Finally, Transportation is about planning for the future. With some projections calling for Saskatoon's population to surpass the 400,000 mark by mid-century, a main focus of the Transportation business line is to explore innovative ways to efficiently move people, services, and goods, while minimizing environmental impact and promoting sustainability.

2014 At A Glance

- Bridges and structures: five river crossings; 47 interchanges and overpasses; and, 21 pedestrian overpasses and tunnels.
- Roads and sidewalks: 4,005 lane kilometers of paved roadways; 200 lane kilometers of gravel roadways; 1,932 kilometers of sidewalks; and, 453 kilometers of back lanes.
- Public transit fleet is comprised of 39 conventional, 93 low-floor, 12 articulating, eight low-floor diesel/electric hybrid, six mid-sized low-floor and 26 Access Transit buses, for a total of 184 buses (all buses have bicycle racks).
- Transit operates 365 days a year, and has a passenger load of approximately 13.2 million rides per year (formula based), or 9.4 million rides per year (electronic measurement).
- 25 bus routes operate on 276 kilometers of streets.
- Total of 2,800 parking meters.
- Total of 275 traffic signals.
- Total of 520 traffic count stations.
- Total of 1.5 billion annual vehicle kilometers travelled in Saskatoon.
- Total of 26,764 work requests issued from Public Works Customer Service Center including: Roadways - 15,747; Water and Sewer - 9,944; and, Support Services - 1,073.
- Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas as provided by Statistics Canada, National Household Survey, 2011: Walking - 5.1%; Bicycle - 2.0%; Public Transit - 4.4%; and, Car, Truck or Van (Driver and Passenger) 86.5%.
- Total of 29,805 street lights.
- Total of 483 seasonal decorations on street lights.

Major Projects and Initiatives 2014

Growing Forward! Shaping Saskatoon

› The City's Growing Forward! Shaping Saskatoon initiative is exploring ways to encourage sustainable growth and provide more attractive transportation options as Saskatoon grows. Several transportation initiatives were ongoing in 2014 (see Urban Planning & Development business line).

Increase Transit Ridership

› A comprehensive approach to transit market research was incorporated into the Growing Forward! Initiative. It included a transit research study, now complete, and functional design for an updated transit system. In the interim, route enhancements will be made to make sure the existing service adapts to changing transit patterns and city growth.

Intelligent Software to Improve the Transit Experience

› Implementation of software/Intelligent Transportation System (ITS) upgrades to improve the Transit customer experience was a major focus of 2014. Full fleet installation was complete and the software upgrade was implemented. Issues with real time mapping and "where's my bus" components were resolved and the features will be introduced in early 2015.

Neighbourhood Traffic Management Process

› The City began implementing the new process with a review of eight neighbourhoods: Hudson Bay Park, City Park, Caswell Hill, Westmont, Varsity View, Haultain, Holliston, and Brevoort Park. The first stage included discussion of traffic issues in each neighbourhood, followed by analysis of comments, data gathering, development of a plan, and follow-up meetings to present the plan completed in each neighbourhoods. After minor changes based on input from the community, the final plans will be presented to the Standing Policy Committee on Transportation in 2015.

Continued . . .

Major Projects and Initiatives 2014

New Parking Meter Infrastructure

- Replacement of the City's parking meter infrastructure began with implementation of "pay by plate" parking technology. Meter enforcement is by license plate recognition. Installation was complete by the end of the year, with a staged launch beginning in early 2015.

North Commuter Parkway and Traffic Bridge

- The North Commuter Parkway and the Traffic Bridge Replacement Project is part of the Bridging to Tomorrow initiative. Both will provide significant benefits to the citizens of Saskatoon and the province. Federal and provincial funding for the North Commuter Parkway was announced in June, and work continued on the conceptual design and potential P3 funding documentation.

A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs, and achieving the desired quality of life expressed by our citizens.

URBAN PLANNING & DEVELOPMENT

The primary goal of the Urban Planning & Development business line is to build an increasingly sustainable community over time with an enhanced quality of life, which is consistent with the vision and core strategies of the City's Strategic Plan. This is accomplished through the provision of several interrelated services:

Neighbourhood Sustainability

- Renewing and sustaining existing areas of the City through local area plans, neighbourhood rejuvenation projects, Crime Prevention Through Environmental Design (CPTED) reviews, incentives for supportive and attainable housing, and effective licensing and civic bylaw enforcement. This includes a renewed focus on improving the City Centre and increasing perceptions of safety by linking people in need with appropriate supports.

Support for Economic Development

- Encouraging economic development through collaboration with local and regional business organizations, assisting the start-up of new businesses, and providing advice and timely reviews for new development applications. This means working with our regional partners to build capacity and accommodate development in an economically and environmentally sustainable region.

Growing Forward! Shaping Saskatoon

- Planning for the future growth of the City requires a development plan which links land use, public transit, and

infrastructure in ways that are more effective, efficient, and sustainable. The City's new *Growth Plan to Half a Million* is currently under development and will contain growth strategies for the next 30 years which will guide Saskatoon to a more sustainable future.

Permits, Licensing, and Inspections

- Providing timely reviews of building permit and development applications, and performing building and plumbing inspections, to ensure the health and safety of owners and occupants. Effective licensing of new and established businesses ensures a healthy and fair marketplace helping people and businesses to thrive.

Quality Design

- Enhancing the quality of public spaces throughout the City through streetscape master plans and urban design projects in key areas such as the downtown, business improvement districts, and key corridors. This includes development of design guidelines for neighbourhood infill and strategic area development.

Partnerships

- Working with community partners, Business Improvement Districts, and builders to ensure an adequate supply of attainable housing choices, including support for homelessness initiatives. This includes continually monitoring the quality of life in our community, with our partners at the University of Saskatchewan and the Saskatoon Health Region, to facilitate the ongoing evaluation of our Strategic Plan performance.

In recent years, it has become increasing apparent that the sustainability of our community, from an economic, environmental, social, and cultural perspective, will require new approaches to the way we plan and build our city.

Clear, concise communication with City Council, excellent customer service for our clients, and meaningful consultation with our stakeholders are foundational principles upon which the Urban Planning & Development business line operates.

2014 At A Glance

- Saskatoon continues to grow, with an estimated 254,000 people in the city and over 300,000 in the region. It is estimated that Saskatoon has grown by over 8,000 people in the last year.
- It is projected that 10,500 licensed businesses will exist in Saskatoon by end of 2014 - an increase from approximately 8,455 in 2008.
- Over 320 property-use complaints are received each year, along with 393 landscaping and parking inspections completed.
- Over $16.4 million in funding towards Attainable Housing initiatives which produced over 3,700 new units since 2008.
- It is estimated that over 5,000 building permits will be issued, with an estimated construction value of over $1.0 billion dollars.

BUSINESS LINES

- There are 12 neighbourhoods with approved Local Area Plans (LAP), with one LAP nearing completion, and one underway.
- There has been $4.85 million in streetscaping projects completed on 20th Street and Central Avenue since 2012.
- Over $2.4 million in funding has been approved for various projects under the Vacant Lot and Adaptive Reuse Incentive Program, which supports and encourages infill development on chronically vacant sites and the adaptive reuse of vacant buildings within Saskatoon's established neighbourhoods.
- Four major new neighbourhood concept plans and amendments were processed and presented for City Council adoption (Brighton, Rosewood, Aspen Ridge, and Elk Point).
- The Saskatoon North Partnership for Growth (P4G) is currently developing a new Regional Plan with four regional partners. This is due for completion by June 2016.
- Since 2007, the Urban Planning & Development business line has added 16 new services and expanded the scope of 20 existing services to meet the demands of one of the fastest growing cities in Canada.

Major Projects and Initiatives 2014

Affordable Housing Plan Approved

- The City began implementing its new 10-year housing plan with renewed targets, support programs, and funding. The plan is on track to meet the revised 2014 target of 500 units.

Business License Renewals Go Online

- The City successfully implemented the website application for online business license renewals.

New Heritage Policy

- City Council approved an updated Heritage Policy to better integrate heritage and urban development. Work on the new Heritage Registry got underway. The registry will be made available on the City's updated website in 2015.

Continued...

Major Projects and Initiatives 2014

Enhance Relationships with First Nations

- As part of its commitment to enhance relationships with those that have land development interests in the Saskatoon region, the City invited municipalities and First Nations to collaborate on broader regional planning issues. The new Broader Regional Committee is being led by the Saskatoon Regional Economic Development Authority (SREDA), with representatives from municipalities and First Nations in the Saskatoon region. The Committee is a forum for exploring joint planning and infrastructure projects, and joint approaches to funding work. Several meetings were held in 2014 to discuss issues such as regional servicing and transportation.

Plans for Growth

- Phase 3 of the City Centre Plan was adopted and implementation got underway; a detailed work plan for the Phase 4 Civic Plaza Master Plan will begin in 2015.
- The Local Area Plan (LAP) for Varsity View was endorsed by City Council, work continued on the LAP for Mayfair/Kelsey Woodlawn and the LAP for Meadowgreen was launched.
- Brighton and Aspen Ridge Neighbourhood Concept Plans were adopted by City Council. Preliminary Plans were completed for Elk Point, with City Council approval expected in 2015. A major amendment to the Rosewood Concept Plan was also approved in 2014.
- Draft Sector Plans for the North Industrial and South West sectors were prepared and amendments to existing Sector Plans were developed for the North, Blairmore, and Holmwood Sectors. Amendments to the Holmwood Sector Plan are on hold pending developments with the perimeter highway and engineering evaluation of traffic needs.

Continued...

BUSINESS LINES

Major Projects and Initiatives 2014

Growing Forward! Shaping Saskatoon

- **Corridors:** Options for growth and development near major corridors were presented for public consideration. Public input is being used to refine priority corridors and enable public discussions in 2015 about potential land uses and transportation infrastructure improvements along these corridors, as well as priorities for future planning efforts.
- **Future Employment Areas:** Baseline data collection and policy review was completed to inform a new Employment Area Plan, which is being developed to ensure employment areas are appropriately distributed in the new Growth Plan. A public engagement event generated feedback which is currently being evaluated, along with best practices, policy analysis, and scenario modelling.
- **Infill Development:** A strategy for infill development is being completed as part of the Corridors project.
- **Transit:** As part of the *Growth Plan to Half a Million*, the City is developing a long-term plan for transit that will make it a more attractive choice for more people. Public engagement in 2014 informed a number of initiatives. A draft Future Transit Plan was presented for public consideration. Public input is being used to refine the plan and enable public discussions in 2015 about specific service features, stations, and implementation priorities.
- **Transportation:** As part of the new long range transportation master plan, four long-term strategies to manage the movement of more people on Saskatoon's core bridges were presented for public consideration. Public input is being used to refine the plan and enable public discussions in 2015 about what the preferred strategies may look like and potential priorities for implementation.
- **University of Saskatchewan 2057 Master Plan:** The University is currently implementing the first phase of its long-term master plan (College Quarter); the second phase is dependent on the outcomes in the Growing Forward process and a development strategy will be included in the new *Growth Plan to Half a Million*.

Streetscaping

- Streetscaping projects continue to transform some of Saskatoon's busiest areas. Work was completed on the first of two blocks as part of the 20th Street Streetscaping Project, and Phase 2 of the Central Avenue Streetscaping Project was substantially complete by year's end.

Continued...

Major Projects and Initiatives 2014

Neighbourhood Level Infill Development Guidelines

- Work progressed on new Infill Development Guidelines for neighbourhoods. Consultations were held with developers and stakeholders. City Council approved an infill implementation strategy as well as new regulations for garden and garage suites.

New Regional Planning Framework

- In February, the Saskatoon North Partnership for Growth (P4G) held its kickoff on the new regional planning framework to accommodate development in the Saskatoon region. Partners include the City of Saskatoon, City of Martensville, City of Warman, RM of Corman Park, and Town of Osler, with an advisory representative from SREDA.

Provides connections and high quality services. Saskatoon Light & Power's quality drinking water, treatment of water, water recycling, and storm water management. Water & Waste

UTILITIES

Electricity, quality drinking water, treatment of wastewater, storm water management, and residential recycling are basic amenities provided through the Utilities business line. Utilities is not only responsible for keeping the lights on, taps flowing, and toilets flushing, it is also responsible for the long-term, sustainable management of Saskatoon's water and energy resources.

Saskatoon Light & Power provides safe, reliable, and cost-effective electricity to its customers in an environmentally responsible way. The Water Treatment Plant and water distribution system deliver treated water to households, businesses, institutions, and users outside the city limits on a cost recovery basis. The Wastewater Treatment Plant treats wastewater that is delivered to the Plant by an extensive network of pump stations and underground pipes, and returns high quality water back to the South Saskatchewan River. The storm water management system is a separate network designed to drain storm water away from streets and buildings.

A portion of Saskatoon's waste management system is delivered as a Waste Services Utility. All residents, whether they live in apartments, condominiums, or single-family homes, benefit from convenient no-sort recycling collection services. Green Cart collection for yard waste is also available on a subscription basis through the Utility.

Fees generated by services within the Utilities business line are an important source of revenue for the City. In the 2015 budget, contributions of $63.5 million are available to the City in order to help offset property taxes and fund various municipal projects.

2016 At A Glance

- Saskatoon Light & Power's distribution network includes 1,171 kilometers of overhead lines and 916 kilometers of underground power cables.
- The Water Treatment Plant treats approximately 45.3 million cubic meters of water per year. The water distribution system is comprised of 1,087 kilometers of water mains, 13,199 valves, 8,713 hydrants, and 69,692 service connections.
- The Wastewater Treatment Plant treats approximately 33 million cubic meters of wastewater per year. The waste water collection system is comprised of 983 kilometers of sanitary mains, 10,363 manholes, 43 force mains, and 69,338 service connections.
- The storm water management system includes 690 kilometer of storm sewers, 12,300 catch basins, 29 wet ponds, 8 dry ponds, 3 natural ponds, and 2 constructed wetlands.
- Curbside recycling services are provided bi-weekly to 66,000 homes and multi-unit recycling services are provided to 35,000 apartment and condominium units.
- Compost depots receive approximately 25,000 tonnes of leaves, grass, and branches annually.

Major Projects and Initiatives 2016

CALA Accreditation

- The Canadian Association of Laboratory Accreditation (CALA) renewed accreditation of the City's existing Water Lab at the Water Treatment Plant. The application for accreditation of the new Environmental Lab (Wastewater Treatment Plant) was submitted.

Energy Efficiency

- As capital improvements are made to the Water and Wastewater Treatment Plants, old equipment is replaced where possible with high efficiency options to improve financial and environmental performance. The City also continues to investigate an energy management information system for the Wastewater Treatment Plant.

Continued...

BUSINESS LINES

Major Projects and Initiatives 2014

Flood Control with "Superpipes"

- The City is implementing a flood control strategy using "superpipes," which collect and store storm water underground to reduce flooding in residential homes and basements. The strategy was expanded to include installation of superpipes in Confederation Park, Westview, Early Drive, Erindale, Lakeview, and Dundonald, and flood control was installed in Lakeview Park along with a sanitary upgrade in Brevoort Park.

Power Generation Initiatives

- SaskEnergy is currently seeking alternative proposals from equipment vendors for the Turboexpander Power Generation Facility, west of the Saskatoon Landfill. The facility will produce electricity for up to 600 homes with zero emissions by recovering pressure energy and heat energy.

Reservoir Expansions

- Expansion of the Avenue H reservoir, addition of an ultraviolet (UV) disinfection system, and installation of a new high lift pump station were mostly complete and various systems reached the commissioning stage by the end of the year. Streets surrounding the new facility were restored and the intersection of Avenue H South and 11th Street re-opened for traffic. The expansion enhances the City's ability to treat water while meeting evolving regulations.
- Expansion of the 42nd Street Reservoir will serve the growing needs of the city's industrial and northeast residential areas. Work on the pump station and new reservoir was mostly completed, and installation of the control system and programming began in December.

Wastewater Operations/Maintenance Facility

- The upgrade to the Wastewater Treatment Operations/Maintenance facility was substantially complete, with some tasks scheduled for completion in spring 2015. The project included interior building renovations and construction of a new addition.
- A design review for the odour abatement project was completed and the foul air containment cover construction was installed.

Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.

LAND DEVELOPMENT

This document includes the City of Saskatoon's Land Development Operating and Capital Budgets. The document focuses on three business lines, Saskatoon Land, Corporate Projects, and the Land Development Capital Projects program, each devoted to ensuring an adequate supply of new infrastructure is in place to accommodate new development and core civic services. A healthy land development industry plays an important role within an expanding economy. It provides the base upon which immediate and future growth will thrive.

Saskatoon has witnessed considerable economic growth in recent years - growth that would have been constrained if sufficient land had not been available for development. The Land Development business line responds to the needs of a variety of customers in the housing, commercial, institutional, and industrial sectors. It invests capital dollars in the provision of municipal infrastructure and creates demand for durable products and employment. This adds value to the economy and encourages job growth, positive net migration, and other important multiplier effects.

Over the past five years significant investment has been made to accelerate infrastructure extensions into new developments in the Holmwood, University Heights, Blairmore, and Marquis Industrial Sectors. These new growth areas and various infill developments, like the North Downtown redevelopment plan, will play a vital role in providing the serviced land that will accommodate new housing and commercial investment in our city over the next five to ten years.

Projections for growth in our community remain positive with most economic indicators suggesting continued population and employment growth that will require investment in new infrastructure to satisfy demand for serviced land. The Land Development Budget includes the funding plan required to accommodate a continuation of this

BUSINESS LINES

growth. Should significant changes in demand for serviced land in Saskatoon occur, subsequent annual capital budget submissions will be adjusted accordingly.

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector. It is mandated to: ensure adequate levels of serviced residential, institutional and industrial lands are available at competitive market values, to provide innovation and leadership in design for new growth, and provide financial returns at competitive rates of return on investment to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100% of the surplus funds allocated for reinvestment in the community.

Another essential element in ensuring success of the Land Development business objectives is performed by Real Estate Services. This Section of Saskatoon Land is responsible for all real estate functions and activities for the Corporation including the acquisition of future development lands and all corporate land requirements, administering of both internal and external leases, farm leases, coordinating and overseeing the maintenance of lands held for future development, and providing valuations and real estate advice to the Corporation as a whole. This section is also responsible for the planning and implementation of the City of Saskatoon's corporate accommodations plan.

The Land Development Capital Program includes the construction of arterial roadways, trunk sewers, primary water mains, roadway interchanges, lift stations, and suburban park development. These projects are funded from the collection of off-site levies collected from all land developers and are necessary for the City to support continuous urban growth.

2014 At A Glance

- Since 2007, City Council has committed over $119.3 million from the City's Neighbourhood Land Development Fund towards a variety of projects, including the recent roadway maintenance investments, Pleasant Hill neighbourhood revitalization, Mayfair pool reconstruction, affordable housing incentives, local area road upgrades, operating budget contributions, and designated future land acquisitions.
- Development levies collected from pre-paid servicing rates are used to fund installations of trunk sewers, arterial roads, storm ponds, lift stations, park development, primary water mains, and a portion of new roadway interchanges.

Major Projects and Initiatives 2014

Area Concept Plans

- **Blairmore Suburban Area:** Draft concept plans were completed for Blairmore Neighbourhood 3 and Elk Point. Timelines for public consultation will be determined.
- **University Heights Suburban Area:** The development area includes Aspen Ridge and University Heights Neighbourhood 3. The planning team discussed visioning, long-range transportation planning, the North Commuter Parkway, and the Northeast Swale. Preliminary Stakeholder consultations have started.

New Lot Development

- **Aspen Ridge:** Significant progress was made on deep services for the 374 lots in Aspen Ridge. Work will continue in 2015, with the sale of 374 serviced lots expected by the fall.
- **Evergreen:** By year's end, all single family lots in Evergreen had been released, with 103 lots remaining in inventory for sale over the counter.
- **Kensington:** Servicing for 410 lots was completed in November with shallow utility installation scheduled through the winter. A lot draw for 216 lots in phase 3 was completed in December; 190 lots remain in inventory.
- **Marquis Industrial Area:** Eight heavy industrial parcels totalling 20.6 acres were serviced by November for offering by public tender in 2015. City Council approved the direct sale of 23 acres to Matrix Equities for a business park development.

North Downtown Area Master Plan

- Public consultations were completed and external comments were received on the North Downtown Area Master Plan, which proposes a mix of land uses for the City-owned land left vacant by relocation of the City Yards and extension of 25th Street to Idylwyld Drive. Implementation is long-term.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2014

New Multi-Family Land Development

- **Evergreen:** Servicing was completed on 17 parcels totalling 58 acres. Shallow utility installation is scheduled on some sites for 2015. Public tenders for nine parcels totalling 27 acres will take place in early 2015.
- **Kensington:** There were 16.5 acres of multi-family land planned for completion and sale. Roadway construction for the 16.5 acres around the village square carried over to 2015. Sale by public tender will depend on market demand and land absorption.
- **Parkridge/Rosewood:** Servicing on 8.5 acres of multi-family land is well underway. Two sites in Parkridge totalling 4.77 acres were completed in November, with utility installation over the winter. Another 3.7 acres of land in Rosewood will be serviced in 2015.

New Park Development

- **Evergreen:** Construction of Funk linear park and design of the Funk neighbourhood park began, with completion anticipated in 2015.
- **Kate Waygood Park:** Phase 2 construction was completed, with the park remaining under contractor maintenance until October 2015.
- **Ed Jordan Park in Kensington:** The preliminary design was completed and construction is scheduled for 2015.
- **Rosewood:** Construction was completed on Bitz and Adams Parks and they were turned over to the City for ongoing maintenance. Construction is underway on Korpan Park, with completion anticipated in 2015. The final design of Swick Park is underway, with construction scheduled for 2015.
- **Donald Koyl Park in Stonebridge:** Construction was completed, with the park remaining under contractor maintenance until October 2015.

Continued . . .

Major Projects and Initiatives 2014

Park Upgrades

- **Chief Darcy Bear Park:** Upgrades were completed and the park was turned over to the City for ongoing maintenance.
- **Dundonald Neighbourhood Park:** Phase 1 construction was completed early in the year and the area was turned over to the City for ongoing maintenance. Phase 2 construction was completed later in the year, with the park remaining under contractor maintenance until August 2015.
- **Grace Adams Metawewinihk Park:** Phase 2 construction was completed, with the park remaining under contractor maintenance until August 2015.
- **Pleasant Hill Park:** Upgrades were completed and the park was turned over to the City for ongoing maintenance.
- **Rotary Park:** Upgrades began with completion scheduled for 2015.

New Arterial Road Construction

- **Claypool Drive:** Construction is 95% complete, there are several minor items left to complete.
- **Fedoruk Drive:** Construction of two lanes is complete between Konihowski Road and Zary Road.
- **McOrmond Drive:** Construction is now complete on the Nelson Road to Fedoruk Road section; a detailed design is underway for the section south of Highway 5.

New Water & Sewer Infrastructure

- **Aspen Ridge:** The area grading and pipe installation is in progress; construction of new trunk sewer extensions is also in progress; a detail design of Forebay pond is 95% complete.
- **Elk Point:** Construction of primary water mains and fill mains is underway, new trunk sewer extensions are completed.
- **Holmwood:** Construction of primary water mains and fill mains was completed, sanitary trunks are complete, and storm trunk construction is in progress.
- **Marquis Industrial:** Construction of primary water mains and fill mains are underway; construction of two trunk sewer extensions are also underway.

2014 Distribution of Property Taxes

Where the Money to Run the City Comes From

(Based on Revenues in Schedule 6, page 100)

1.70% Land Administration Fee
8.00% Grants-in-Lieu of Taxes
11.79% User Fees
15.18% Transfers from Other Gov't (Grants)
20.28% General Revenues
43.05% Taxation

Where Your Municipal Tax Dollars are Spent

(Based on Revenues in Schedule 6, page 100)

0.28% Taxation
1.70% Land Development
1.73% Corporate Asset Management
2.62% Urban Planning & Development
3.57% Community Support
4.46% Environmental Health
10.62% Fire Services
12.45% Recreation & Culture
19.48% Corporate Governance & Finance
20.56% Police
22.52% Transportation

FINANCIAL MANAGEMENT AND CONTROL

Corporate Planning Process

City Council's current Strategic Plan sets out a vision for the community, a mission statement, and a set of corporate values and strategies.

The Capital Budget process decides, based on City Council's priorities, which projects will precede over which timeframe. Long-term capital planning (through the five-year plan) and reserve policies attempt to match required funds to required projects.

The Operating Budget allocates resources under the principle of continuing to deliver existing services and service levels.

In addition, it recommends service level changes for specific programs based on a number of factors (usage, demand, ability to pay, growth, legislative change, business case, etc.). Choices are put before City Council on issues that have been raised by City Council, raised by the public, and/or identified by the Administration.

Annual Financial Reports

A number of annual financial reports are submitted to City Council for its information and review, including the financial reports, capital project status reports, benchmarking and performance measurement reports, and the public accounts.

The annual Financial Report includes the consolidated financial statements prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These statements are audited by the City's appointed external auditor.

Financial Policies

The City of Saskatoon operates under a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility.

Property Tax Policies

In 2001, City Council resolved that commercial property be taxed at 1.75 times the residential rate (shifted over a ten-year period) and that the effective tax rate between residential, condominium, and multi-family residential classes be equalized.

Investment Policy

City Council has approved a policy on portfolio management which ensures that City portfolios are invested to primarily achieve the preservation of capital, the maintenance of liquidity sufficient to meet on-going financial requirements, and to maximize return on investment. Specific guidelines are outlined regarding the type of securities approved for purchase, investment limitations, and term structure.

Reserve Policies

City Council has established reserves through bylaws to fund capital projects, and through policy to provide a source of funds to stabilize specific user pay programs and/or general revenue variances.

The majority of capital work undertaken by the City is funded through dedicated reserves. The purpose, funding source, and withdrawal criteria are specifically outlined within bylaws. City Council approval is required for all withdrawals. The remaining reserves are specifically outlined in policy, a majority of these are used to stabilize specific programs either funded through user fees (golf courses), are dependent upon weather (snow and ice management), or are used to fund overall operations against revenue variances (interest earnings).

Debt Management Policies

The City of Saskatoon has operated primarily under a "pay-as-you-go" philosophy whereby its facilities and infrastructure are built based on current and projected reserve balances. The City Council approved policy on borrowing for capital projects specifically outlines borrowing only if sufficient funds are not otherwise available in existing reserves or through external sources, if funds will be recovered from future operating revenues or operating savings, and/or it would be equitable to extend the capital financing through borrowing for major capital initiatives to future users.

SERVICES PROVIDED BY CITY DEPARTMENTS

Office of the City Manager

The City Manager is the chief administrative officer of the City of Saskatoon. The position is responsible for planning, directing, supervising, coordinating, and controlling all municipal operations as approved by City Council.

The City Manager's responsibilities include providing assistance and advice on various aspects of municipal operations, investigating and reporting on all matters referred by City Council and its committees, and submitting the capital and operating budgets to City Council for review.

The City Manager chairs the Leadership Team (comprised of the General Managers of Corporate Performance, Asset & Financial Management, Community Services, and Transportation & Utilities, the City Solicitor, and the Director of Government Relations), which is responsible for coordination of all City-wide management and operational matters.

The City Manager is the direct supervisor of all General Managers and through them, all Directors and civic employees (except for those boards and commissions which are responsible to City Council). This includes the appointment, promotion, demotion, and suspension of employees of the City, except those employees appointed directly by City Council.

Government Relations

The Director of Government Relations is primarily responsible for building and maintaining relationships with other municipalities, municipal associations, federal and provincial orders of government. In performing this key function, the Division analyzes key policy decisions, issues, and trends emerging from other orders of government, including Aboriginal governments, public policy institutes, and the media as related to the policies and operations of the City of Saskatoon.

The key functions of this Division include:

- reviewing and analyzing legislative changes;
- reviewing and analyzing federal and provincial budgets;
- reviewing and analyzing changes to government policies and programs with respect to the potential impact on the City;
- engaging key government officials on behalf of the corporation;
- interacting with municipal associations on behalf of the corporation; and
- supporting various advocacy efforts aimed at governments and other key stakeholders on issues related to the corporation.

Risk Based Management

The City Manager also chairs the Corporate Risk Committee (comprised of the General Managers of Corporate Performance, Asset & Financial Management, Community Services, and Transportation & Utilities, the City Solicitor, the Fire Chief, the Police Chief, the Director of Government Relations, and the Director of Corporate Risk), which is responsible for managing and reporting to City Council on corporate risks and the Risk Based Management Program.

The Director of Corporate Risk is responsible to develop and implement corporate risk management systems in accord with Council Policy C02-040, Risk Based Management. The key objectives of this Division are to promote the development of a risk aware and risk smart culture in all areas of the City's strategic and business planning operations, and to administer the City's internal audit function.

The key functions of this Division include:

- collaborate with Senior Management to develop a positive risk culture within the City;
- collaborate with senior leadership to develop and implement corporate wide strategic and business risk management policies, systems, and programs to ensure alignment with corporate budget and strategic goals;
- work with Senior Management to identify, assess, treat, and monitor current and emerging corporate risk exposures;
- review and analyze risk exposures and mitigation strategies and accountabilities, to control exposures and promote the achievement of corporate goals;
- review risk management best practices to ensure that the City maintains a high quality risk management program, and to continually improve corporate risk management performance and practice; and
- determine the type and scope of internal audit projects, and coordinate the activities of the risk management and internal audit programs.

Office of the City Clerk

The primary responsibility of the City Clerk's Office is to administer the City's legislative processes. Responsibilities include: preparing and distributing agendas, minutes, and decisions of City Council and its committees; ensuring that the business of City Council and its committees is conducted in accordance with *The Cities Act* and other relevant legislation; maintaining corporate records and City Archives; conducting municipal elections; administering the provisions of *The Local Authority Freedom of Information and Protection of Privacy Act*; and providing administrative support services to City Councillors.

Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services for the corporation. While it reports directly to City Council, the Office also provides legal services to all civic departments and boards. The major areas of responsibility include giving legal advice to City Council, Committees of Council, the City Manager, the City Clerk, and other civic departments; representing the City at all levels of court; doing all of the legislative drafting and all bylaw enforcement prosecutions and appeals for the City; and providing a wide variety of legal work such as land transactions, contracts, loans and debentures, expropriations and tax collections, and also arranges for insurance for the City and deals with all claims made by or against the City.

Asset & Financial Management Department

The role of the Asset & Financial Management department is to ensure the management and sustainability of the City's financial transactions (including all aspects of finance, purchasing, and inventory), the Land Bank Program, the City's real estate needs, and the City's facilities and fleet services. These responsibilities and services are delivered through six divisions.

Assessment & Taxation

The Assessment & Taxation division is responsible for the establishment of property assessments for all real property within the City of Saskatoon. This area creates both the property assessment and taxation rolls, and provides for the defense of assessment values before the Board of Revision and the Assessment Appeals Committee of the Saskatchewan Municipal Board.

Corporate Revenue

The Corporate Revenue division is responsible for the collection, control, and disbursement of all corporate funds, including the investment, debt, and banking requirements. Other responsibilities include oversight of accounting controls and cash handling procedures throughout the organization, as well as administration of the General Licensing and Taxi Bylaws regulating, among other things, the taxi service in Saskatoon.

Facilities & Fleet Management

The Facilities & Fleet Management division is responsible for the City's buildings and structures, the City-owned vehicle and equipment fleet, and the City's radio communications system. As such, the Division provides for building operation and maintenance of civic facilities such as leisure facilities, fire halls, transit buildings, City office buildings, and contracted services for the Boards. Project management services for any capital or maintenance projects are provided, including design, contract tendering and award, and construction management. Energy management, space management, and accommodation planning are also provided for user departments.

Finance & Supply

The Finance division is responsible for providing corporate financial recording, reporting, and control; supplier payments; administration of the City's Operating and Capital Budget process; employee payroll and benefits; and payments to superannuates. In addition, general financial management services are provided to all departments and boards.

The Materials Management section is responsible for providing procurement and inventory management, asset disposal, and mail and printing services to the corporation. This Section also operates a central stores facility and provides inventory management services to the Corporation.

Financial Planning

Financial Planning is responsible for leading the financial component of all large-scale projects using Public Private Partnership (P3) or other alternative procurement methods, developing complex and strategic funding plans for Gas Tax and large-scale future capital projects, and investigating alternative funding scenarios for unfunded large-scale projects. This Division also researches funding opportunities, develops and submits funding applications and claims, and coordinates other contractual obligations such as the audit requirements for other government funding.

Saskatoon Land

The Saskatoon Land division plans, services, and sells residential, commercial, and industrial lots owned by the City of Saskatoon. The Division is also responsible for urban design which provides design services for streetscape projects and programs primarily in Saskatoon Business Improvement Districts.

Community Services Department

The Community Services department provides programs, services, and resources to create a community in which people of all ages and cultural backgrounds want to live, work, play, and visit. Through community consultation and the dedication of City employees, the City continues to strive for excellence.

Business Administration

The Business Administration division provides coordinated support for the following functions: financial accountability; implementation and maintenance of business and information management systems; marketing strategies and communication programs; human resource management; and clerical services.

SERVICES PROVIDED BY CITY DEPARTMENTS

Building Standards

The Building Standards division issues building and plumbing permits, and administers inspection programs related to regulations contained in the Building Bylaw, the Swimming Pool Bylaw, The Uniform Building and Accessibility Standards Act, the National Building Code, and the Plumbing and Drainage Regulations.

Community Development

The Community Development division provides the supportive environment to help build capacity and empower people of the community to organize themselves for planning and action. The mandate of the Division includes supports to community associations, community grants, accessible no-cost, low-cost programming opportunities, Aboriginal leadership initiatives, support for public art and cultural organizations, immigration initiatives, cultural diversity race relations initiatives, and community partnerships and initiatives (i.e. Graffiti Reduction, Collaborative Funders, Age Friendly, White Buffalo Youth Lodge, etc.).

Community Standards

The Community Standards division exists to create a healthy and happy community by effectively upholding, enforcing, and communicating our standards and bylaws. Through business licensing, zoning compliance, general bylaw enforcement, and parking management the Division helps to ensure citizens understand what they need to do to live in harmony with their neighbour and contribute to a healthy society.

Recreation & Sport

The Recreation & Sport division provides a wealth of opportunity for citizens to participate in and enjoy the benefits of recreation, sport, culture, and activities. Such activities are a core element of Saskatoon's quality of life and an essential part of the individual and community health. Programming is offered through leisure centres, rinks, a zoo, golf courses, a campground, a speed skating oval, sport fields, and various park locations.

Parks

The Parks division is responsible for developing, preserving, and enhancing the City of Saskatoon's investment of its parks system and civic open spaces. This is accomplished through policy development, maintenance standards, public education process, community gardens, educational program development, developing safety standards and policies, conceptual planning, design and construction, consultation with both private and public stakeholders, and project management.

Planning & Development

The Planning & Development division is responsible for overall land use planning and development activity in the City of Saskatoon. The primary goal of the Division is to build an increasingly sustainable community over time, with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. The mandate of the Division includes primary responsibilities for district and regional planning, future growth, land use and zoning policy, development review, sector planning, long range transportation and transit plans, revitalizing existing communities, urban design, affordable housing, community safety, community and demographic research, mapping, and heritage management.

Corporate Performance Department

The Corporate Performance department incorporates the private sector best practice of grouping a range of corporate services to ensure support functions work together to help front-line civic staff deliver the services to our citizens.

Aboriginal Relations

Aboriginal Relations is primarily responsible for building and maintaining relationships with the Aboriginal community, municipal associations and Aboriginal governments. In performing this key function, Aboriginal Relations analyzes key policy decisions, issues and trends emerging from other orders of government (including Aboriginal governments), public policy institutes, and the media as related to the policies and operations of the City of Saskatoon.

Communications

The Communications division plans and directs all corporate communication activities for the civic Administration, including the development and implementation of employee and public relations strategies. Inter-related functions within Communications which include Corporate Communications, Customer Service, Community Engagement, and Digital Programs. Communications assists with engaging and informing the public of the City's operations and initiatives through reports to City Council, information campaigns, and on the City's digital platforms including the website. Communications provides support to administrative staff to communicate and engage directly with the public on programs and services. Communications also coordinates its activities with Media Relations and the Emergency Measures Organization (EMO) to oversee the Emergency Public Information Plan and NotifyNOW.

SERVICES PROVIDED BY CITY DEPARTMENTS

Environmental & Corporate Initiatives

The Environmental & Corporate Initiatives division leads initiatives that address City Council's Strategic Goal of Environmental Leadership and major city-building projects that enhance quality of life. Corporate initiatives include the planning, design, and facilitation of major city-building projects.

The Division develops and implements plans to achieve the waste diversion objectives established by City Council. Programs include recycling, composting, household hazardous waste, and the recycling of construction-related materials.

Human Resources

The Human Resources division provides general and specialized services to the civic departments and boards designed to maximize employee performance. To ensure consistency in human resource practices, primary focus is placed on the following key areas:

- Administration: Provides support services to the department in the areas of administrative and human resource services.
- Client Services - Human Resources: Provides support in the areas of recruitment, training, coaching, job evaluation and classifications, conflict resolution, grievance hearings, investigations, contract negotiations, and legal interpretations.
- Client Services - Occupational Health & Safety: Provides support for employees, supervisors, and managers through the Health Management System for both occupational and non-occupational injuries and illnesses. Promotes a healthy workplace and wellness initiatives supporting work-life balance.
- Culture & Diversity: Provides support to attaining a workforce representative of the public served and enables inclusive, multi-generational workforce practices through openness and accountability. Offers culture change initiatives and continuous improvement through innovation.
- Total Rewards: Provides strategies to attract, motivate and retain employees. Delivers in-house expertise and administration related to employee recognition, work-life balance, succession planning, and benefit plans and entitlements.
- Policy, Strategy, Performance & Quality: Provides strong management and fiscal responsibility through technology and innovation. Develops policies, planning and priorities, performance, data analytics, and metrics.
- Engagement: Provides direction and support to organization development initiatives. Assists departments to be effective and efficient through support in employee engagement, change management, training and development, conflict management, and respectful workplace.

Information Technology

The City of Saskatoon embraces technology as a means to enhance the quality and responsiveness of its services to residents, increase the efficiency of operations, and position the City nationally as a leading place to incorporate the creative use of technology into personal and professional pursuits.

The Information Technology division consists of Application Delivery Services, Corporate Support Services, Technology Integration Services, and Corporate Geographic Information Services.

Media Relations

Media Relations manages and coordinates the City's interaction with the local, provincial, national and international news media. It guides the distribution of corporate News Releases and Public Service Announcements, as well as City-related information for journalists. Media Relations has also adopted the role of shepherding City messages in social media. A full-time resource is devoted to sharing, monitoring, and responding to public information requests via the City's Facebook, Twitter and YouTube channels. Media Relations periodically consults and co-operates with Saskatoon Police Service Public Affairs officials when certain bylaw initiatives need to be communicated to the public through the news media.

Strategic & Business Planning

The Strategic & Business Planning division is responsible for the implementation of the Strategic Plan, aligning the Annual Business Plan and Budget with the Strategic Plan, and developing a Performance Measurement Program to track the performance of the Corporation relative to the Strategic Goals outlined in the Strategic Plan.

One of the key deliverables from these initiatives is to create a culture of innovation and creativity within the Corporation through the implementation of a Continuous Improvement Strategy.

The Division also provides corporate leadership and development opportunities that enhance an employee's understanding of the Corporation, their work environment, and their role and responsibilities so they can provide the highest quality of service to citizens.

Ongoing learning and development opportunities fall into four categories: General Training, Professional Development Training, Supervisor and Manager Training, and Management Development.

SERVICES PROVIDED BY CITY DEPARTMENTS

Saskatoon Fire Department

The Saskatoon Fire Department (SFD) provides 24-hour emergency response service in conjunction with the Saskatoon Emergency 9-1-1 Telephone System. This gives residents of Saskatoon an emergency protective services delivery system consisting of a wide range of components for the sole purpose of preventing emergencies and reducing the loss of life and property. The SFD responds to, and mitigates, emergencies involving the rescue of persons, incidents of fire, unplanned releases of dangerous goods, and pre-hospital emergency medical incidents. The SFD provides community-based, customer-focused service to create a safe and comfortable environment for the residents of Saskatoon and visitors.

The SFD protects the City's tax base and supports economic development through extensive inspection, prevention, and enforcement programs carried out by the Fire Prevention and Investigation Division. In early 2014, fire and bylaw inspection data started being entered into the department's Fire Dispatch Management (FDM) Records Management System, aligning preventative inspection data with incident response data.

The Department's Community Relations division works within the community promoting fire safety and injury prevention. Presentations are offered to students, community groups, parenting resource programs, seniors, and employee groups always focusing on the advancement of public safety. The Division, through Program Firesby, also provides education to parents and children, and referral for juveniles suspected of setting fires. Another main focus of the Community Relations division is partnering with school boards, service clubs, and businesses to enhance the role in the community we serve.

The SFD manages the Saskatoon Emergency Measures Organization (EMO). Saskatoon EMO ensures a coordinated and timely response for complex and/or escalating emergencies for the City of Saskatoon and its external partners through the maintenance of an overarching emergency plan. EMO also trains the appropriate personnel to operate effectively at the incident site or in the Emergency Operations Centre (EOC). EMO personnel respond to a variety of incidents to facilitate the command process and tie site activities into the EOC. The EOC assists the City of Saskatoon to effectively prioritize the response and recovery tasks typically required during and after large scale emergencies or declared disasters.

As the sole administrator for the City of Saskatoon emergency mass notification system, Notifynow, EMO provides training and message mapping to internal and external stakeholders and customer service for the citizens of Saskatoon.

Outside the city limits, the SFD also has agreements to provide support for fire protection. The Department has eight Fire Service Agreements with surrounding RMs, towns, villages, Whitecap Dakota First Nation, and English River.

Transportation & Utilities Department

The Transportation & Utilities department brings together the majority of utilities that generate revenue from fees charged directly to the user, such as electricity, water or transportation. The Department is also responsible for the planning, operation, and maintenance of many of the City's assets including those involved with water distribution, sanitary sewage collection, storm water collection, roadways, and bridges. The Department is divided into eight divisions:

Business Administration

The Business Administration division provides financial leadership to all Divisions of the Department. This includes providing advice or direction for budget submissions, managing the revenue processing, financial reporting, managing the accounting process for the Department's assets, financial audits in coordination with the auditor, and managing the Department's payroll and accounts payable function.

Construction & Design

The Construction & Design division delivers municipal infrastructure projects, provides regulatory oversight, maintains infrastructure records, and provides expertise, advice, and guidance on municipal infrastructure. These services allow the City of Saskatoon to provide and maintain a high quality of infrastructure in a safe and cost-effective manner to its citizens.

Major Projects

The Major Projects division provides project delivery services for the Corporation for major projects that do not fit into the typical scope of the other divisions. The Asset Management section of Major Projects is responsible for the stewardship of asset condition status, rehabilitation programs, and funding levels for our roadways, bridges, and water and sewer collection and distribution system.

Public Works

The Public Works division is responsible for the operation, maintenance, and preservation of roads, lanes, sidewalks, water mains, sanitary sewer mains, storm sewer mains, and waste handling and disposal services.

Saskatoon Light & Power

The City of Saskatoon operates an electric utility providing electrical service to the area of Saskatoon that lies generally within the 1958 city boundary. Bulk electrical power is purchased from the provincial crown utility, SaskPower, and through a system of transmission lines, substations, and distribution lines with associated distribution hardware, the utility distributes electricity to customers on demand at locations and at voltages appropriate to their needs. The utility is also responsible for the street lighting system.

Saskatoon Transit

The Saskatoon Transit division operates and maintains Saskatoon's public transit system. The Division also provides Access Transit for individuals who are unable to use the regular transit system with safety and dignity. Saskatoon Transit operates six terminals spread throughout the city. Saskatoon Transit's service includes DART (Direct Access Rapid Transit) which serves all major quadrants of the city and can best be described as a light rail system on wheels.

Saskatoon Water

The Saskatoon Water division is responsible for the operation and maintenance of the City's water and wastewater treatment, the handling and disposal of solids resulting from the treatment processes, the water and wastewater pumping facilities, ongoing process optimization and environmental studies, engineering and long-term expansion planning for water distribution, sewer collection systems and treatment plants, related construction project management and capital work, the testing and maintenance of water meters, and the cross-connection control program.

Transportation

The Transportation division provides planning, design, regulation and operation of the City's transportation network. Major activities include planning for the transportation network, traffic management, and operations. The goal of the Division is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

Boards

Remai Art Gallery and Civic Conservatory

The Remai Art Gallery and Civic Conservatory opened in 1964 and was named to honour Frederick S. Remai, industrialist and art connoisseur, who established his business and home in Saskatoon in 1946.

Selections from the Gallery's collection are exhibited regularly, along with regularly scheduled contemporary and historical exhibitions of local, national, and international origin. Each year, approximately 20 exhibitions are presented without charge for the benefit of Saskatchewan and visitors to the city. The Remai Art Gallery and Civic Conservatory is operated as a civic corporation under a board of appointed trustees.

The Remai Art Gallery will close in June 2015 as Saskatoon awaits for the eventual opening of the Remai Modern Art Gallery of Saskatchewan.

Saskatoon Police Service

The operations of the Saskatoon Police Service (SPS) are established under the authority of The Saskatchewan Police Act, Part III, Section 29 and 36, and under the City of Saskatoon Bylaw 7128. The Saskatoon Board of Police Commissioners is appointed by City Council to oversee the police operations and consists of the Mayor, two City Council members, and two citizens-at-large.

The Board is subject to the legislative jurisdiction of City Council to the extent only that the amount requested for upkeep of the SPS must not exceed the amount fixed by the current estimates of City Council for that purpose.

The SPS is equipped and trained for the most current needs in the delivery of a police service in partnership with the community. They also offer emergency services, take complaints of crime, conduct follow-up investigations and preventative activities throughout the city on a 24-hour basis.

Saskatoon Public Library

Saskatoon Public Library (SPL), which first opened for circulation in May 1913 in the basement of the Old Police & Fire Hall, is now a city-wide system consisting of the central library and seven branches. A new library branch is scheduled to open in Stonebridge in 2015. SPL is supported by city taxation and provincial government grants, but direct service to each Saskatoon resident is free of charge.

SPL are community centers, offering information in a variety of formats including print, digital, and audio visual. The libraries offer DVDs, CDs, video games, magazines, newspapers, maps, public computers with internet service, pamphlets, government documents, trade directories, indexes, and other materials and programs to meet public informational, educational, and recreational needs. City Council minutes, reports, studies, and other civic material are available and may be consulted in the Library.

All public libraries in Saskatchewan are participating in a One Province, One Library Card network, which connects all public libraries throughout the province.

SERVICES PROVIDED BY CITY DEPARTMENTS

SaskTel Centre (Legal name: Saskatchewan Place Association Inc.)

SaskTel Centre is Saskatchewan's largest sports and entertainment venue, with a total capacity of 14,500 and an average annual attendance of 500,000.

SaskTel Centre, under the direction of its Board of Directors and management, continues to attract many of the world's largest touring acts, major international and national events, as well as, own and operate Taste of Saskatchewan and Rock the River Classic Rock Festival each year. SaskTel Centre is home to the Saskatoon Blades of the Western Hockey League.

In 2014, SaskTel Centre was ranked 65th on the Top Arena Venues for Worldwide Ticket Sales. For additional information on the venue and upcoming events visit sasktelcentre.com.

TCU place (Legal name: Saskatoon Centennial Auditorium and Convention Centre Corporation)

TCU Place was a project to commemorate the centennial of the founding of the Dominion of Canada. It is an imposing and beautiful building in the heart of the city, adjacent to a major shopping complex, steps away from first-class hotels, restaurants, boutiques, and parking facilities for 2,000 vehicles. The facility is equipped with sophisticated aids for audio, visual, stage, or exhibit requirements, maintains an in-house catering/banquet service, and is part of a province-wide box office. TCU Place's 2,000 soft-seat concert theatre has brought heartwarming praise from numerous world class entertainers and artists, touring companies, ballet companies, and local and international performing art groups, and is home of the Saskatoon Symphony.

With 104,000 square feet of high-end convention space, TCU Place is poised for the large-sized national and international convention market, with first-class convention facilities and services.

In addition, the box office is part of the Ticketmaster ticket distribution system that sells tickets not only for TCU Place but also SaskTel Centre, and other venues across Canada. TCU Place is owned by the City of Saskatoon and is operated by the Saskatoon Centennial Auditorium and Convention Centre Corporation. The Corporation, as well as the Saskatoon Centennial Auditorium and Convention Centre Foundation, consists of a Board of Directors with representation from City Council and the general public.

FINANCIAL DISCUSSION AND ANALYSIS

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2014

The City of Saskatoon's 2014 Annual Financial Report contains the audited Consolidated Financial Statements prepared in accordance with principles and standards established by the Public Section Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Deloitte LLP has audited the financial statements and provided the accompanying Auditor's Report. The financial statements and auditor's report meet the legislative reporting requirements under *The Cities Act*.

The following financial statement discussion and analysis has been prepared by the City of Saskatoon (City) Management. It should be read in conjunction with the audited Consolidated Financial Statements and Schedules.

2014 Financial Highlights

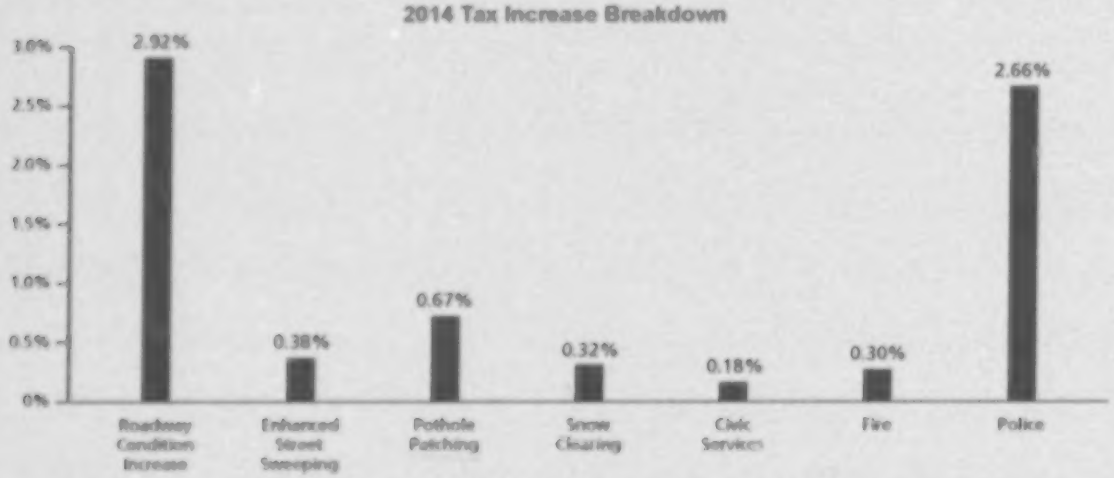
Capital Budget

The City continued to experience population and economic growth in 2014 as seen in both the capital plan and ongoing operational expenditures required to meet the growing needs of the community. Major capital projects continued to be advanced through the completion of the new Police Headquarters and continued construction of the Remai Modern Art Gallery of Saskatchewan (Remai Modern Art Gallery) which were both funded as part of the City's Capital Funding Plans which aim to integrate major capital projects in a financially sustainable manner. The annual capital budget continues to strike a balance between growth and basic infrastructure needs including rehabilitation of existing assets.

Tax-Based Operations

The results of the 2013 Civic Services Survey indicated that roads and traffic congestion were the top two issues facing residents. 2014 addressed these concerns and other City Council priorities through a 7.43% civic tax increase, including 4.29% dedicated for road maintenance.

2014 Tax Increase Breakdown

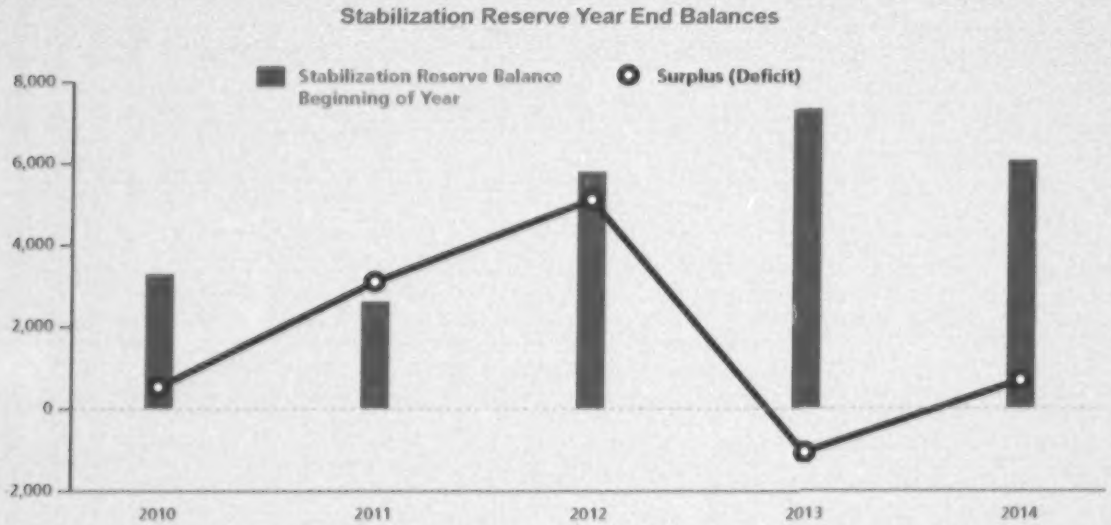


As a result, $50 million was invested into Saskatoon's roadways, including street sweeping, pothole patching, sidewalk rehabilitation, back lane upgrades, road construction and repair, which is a 47% increase over 2013.

Including these increased service levels, the City was able to execute its budget as expected ending the year with a tax based operating surplus of $553.0 thousand (as seen on Schedule 6). This surplus was achieved notwithstanding a $2.277 million deficit in the Snow and Ice Management Program due to higher than normal annual snowfall, as well as a $1.893 million deficit within Transit Operations due to decreased ridership. An overall deficit was mitigated through effective management, cost control measures and favourable returns on investments. The City maintains a healthy financial position as at December 31, 2014 with an overall accumulated surplus of $3.456 billion and net financial assets of $68.6 million.

The net surplus will be allocated to the City's Fiscal Stabilization Reserve which has a current balance of $6.151 million, increasing to $6.704 million after the transfer. Based on policy, the reserve has a targeted minimum balance equal to 5% of the current year's tax supported expenditures. For 2015, the reserve should be at $9.45 million; however, after the 2014 allocation,

the reserve will be $2.746 million short of its minimum balance. It is intended that over time, future surpluses and one-time revenues will bring the reserve back to its targeted level.



Financial Position

The City continued to strengthen its financial position as its net financial assets grew by $15.8 million during 2014 to a balance of $68.6 million as at December 31, 2014. The significant changes in financial assets and liabilities are discussed in the following sections. The primary components of the City's net financial assets balance are:

- Investments - $383 million
- Term Debt - $238 million
- Deferred Revenue - $107.6 million
- Trade Accounts Receivable - $111.2 million, and
- Accounts Payable and Accrued Liabilities - $130 million

Cash Position

The City's cash position comprises of cash and temporary investments and had balances of $52.6 million and $4.3 million at December 31, 2014 respectively.

The Consolidated Statement of Cash Flows summarized the sources and uses of cash in 2014. During the year, the City's cash position increased by $19.8 million due to an additional $354.1 million collected from operating activities and $4.5 million in new debt offset by $295.1 million in tangible capital asset purchases and $43.7 million transferred into investments.

Accounts Receivable

Receivables include amounts owed to the City related to trade and other receivables, taxes and government transfers. The receivables balance of $111.2 million decreased by $44.1 million from 2013 largely due to $20 million collected in Agreements for Sale. The remaining $24.1 million variance is due to year-over-year variation in taxes, trade and other receivables relating to City operations.

Investments

All investments held by the City must comply with *The Cities Act* and Council Policy No. 12-009, Portfolio Management. The goal of the City's investment policy, as overseen by the Investment Committee, is to achieve the preservation of capital, maintain liquidity sufficient to meet ongoing financial requirements and to maximize return on investment.

Investments as at December 31, 2014 had a balance of $383 million, which is a 12.9% increase over 2013 and consists primarily of corporate and government bonds with maturities between 2014 – 2024 and effective interest rates of 1.0% to 5.45%.

Debt

The City utilizes debt to finance capital projects as in accordance with the approved funding plans where other sources of financing are not readily available.

The City increased its debt marginally in 2014 to $238 million, a $4.5 million (1.91%) increase over 2013 due to an additional $25 million borrowed in 2014 for various utility projects, offset by planned debt repayments. The outstanding debt of $238 million is well within the City's approved debt limit of $558 million as authorized by the Saskatchewan Municipal Board. The forecasted borrowing for the next five years is set to increase to a peak of near $479 million in 2018. Most of this projected increase in project debt is from Public Private Partnerships (P3) such as the Civic Operations Centre, the North Commuter Parkway and Traffic Bridge Replacement projects.

Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities balance of $129.6 million at the end of 2014 decreased by $14.5 million from 2013.

Included in accrued liabilities is $6.4 million for the estimated total landfill closure and post closure care expenditures, an increase of $1.1 million over 2013. The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2014.

The remaining decrease of $15.6 million is due to timing difference in payments of outstanding trade invoices compared to the prior year.

Deferred Revenue

Deferred revenue increased to $107.6 million over the 2013 balance of $99.6 million and is largely made up of development charges ($73.5M), federal government transfers ($19.6M) and other deferred revenue ($14.5M).

These revenues are restricted until used for the purpose intended. The largest balance is in relation to development charges and relates to fees the City collects for arterial roads, community centres, parks and industrial parks from new developments.

Liquidity

The ratio of current assets to current liabilities is an indicator of the City's ability to meet its current obligations. Standard and Poor's indicated in its 2013 review of the City's liquidity that "Saskatoon has a very strong economy, very strong budgetary flexibility and strong financial management with exceptional liquidity and a debt burden rating of very low."

In 2014 the liquidity ratio (current assets divided by current liabilities) was 2.1 which is seen as very positive. A ratio of 1 means that the organization would have enough cash to pay its current liabilities.

Consolidated Statement of Operations

The Consolidated Statement of Operations reports on the revenues and expenditures for the fiscal year on a consolidated basis, including all the City's utilities, Boards, Police Commission, and the Saskatoon Public Library. The statement provides the changes that have impacted the accumulated surplus from the beginning to the end of the year and includes non-cash items such as amortization expense from the City's tangible capital assets.

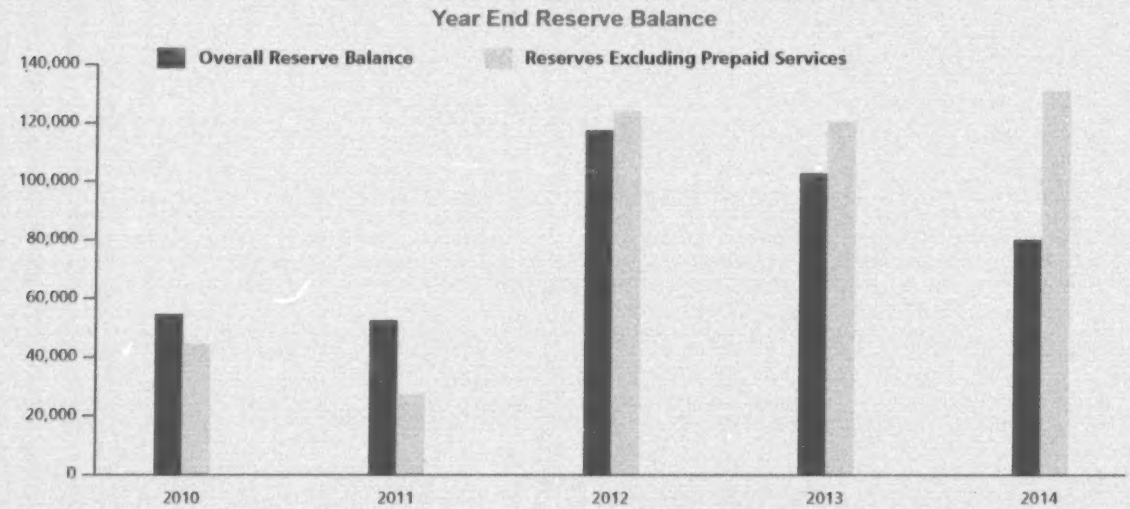
The 2014 Consolidated Financial Statements report an excess of revenues over expenditures of $134.9 million compared to $117.9 million in 2013. While revenues were up by $37.6 million, expenditures also increased by $20.6 million. The most significant expenditure increase was in the Saskatoon Light & Power business line with an increase of $10.1 million due to increased power consumption; this has a correlated increase in user fees revenue of $22.1 million.

Overall, the City's accumulated surplus grew to $3.456 billion, an increase of 6.20% over 2013. The accumulated surplus reflects the net economic resources that have been built up over time for the City and is the primary indicator of the financial resources the City has available to provide future services and consists of both cash and non-cash components. The majority of the accumulated surplus is invested in the City's Tangible Capital Assets (TCA). Non-financial assets, which are comprised primarily of TCA, were $3.37 billion at December 31, 2014 while Net Financial Assets were $68.6 million.

Reserves

The City maintains a Council approved Reserve for Future Expenditures Policy and The Capital Reserve Bylaw which directs the establishment and processes with respect to reserves. Initial establishment of reserves as well as transfers to and from reserves requires the approval of City Council.

In 2014, the City's reserve balances decreased by $21.81 million to $84.07 million. As increased capital spending and land development took place in 2014; this reduced the reserve balance, however, the reserves overall remain healthy.



The primary reason for the decrease is due to an additional $31.8 million reduction in the Prepaid Services Reserve which is a fund that is used for trunk sewers, primary water mains, waste water lift stations and interchanges for new developments. These costs once incurred, will be fully recovered through future lot sales. Currently, the Prepaid Services Reserve has a deficit of $47.4 million. Aside from this decrease, all other reserves increased a combined $9.99 million in 2014.

Overall, the reserve balance has rebounded from the 2010 levels which were decreased due to the advancement of capital programs to match the federal and provincial programs that required municipal matching dollars. This advancement of funds allowed the City to participate in these programs by taking advantage of available funds from senior levels of government to build the necessary infrastructure. The plan to repay the reserves with the future year operating budget allocations was achieved in 2012 when the reserve balance was $115.7 million up from the five-year low of $53.8 million in 2010.

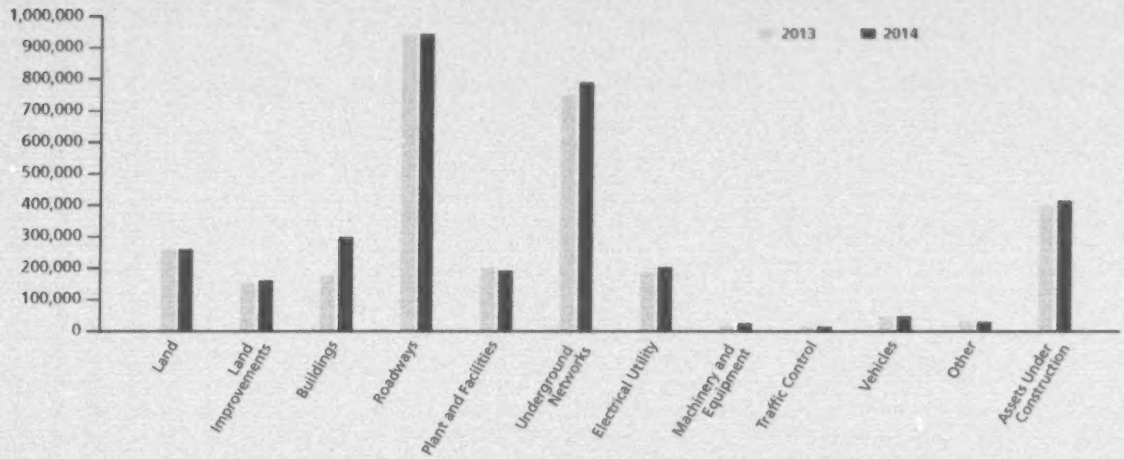
Tangible Capital Assets (TCA)

The City's total net book value of TCA rose by $185.1 million in 2014. On an overall basis, some of the major projects related to the increase in TCA include:

- Remai Modern Art Gallery;
- neighbourhood developments including Kensington, Marquis Industrial, Rosewood and Evergreen;
- Landfill Gas Energy Facility; and
- various roadway projects including Marquis Arterial Road.

As seen in the following graph, the completion and capitalization of the new Saskatoon Police Headquarters as well as numerous utility and electrical capital projects contributed the most to the overall increase.

Total Tangible Capital Assets by Category



Roadways is the highest category of assets at a net book value of $939.4 million followed by the Underground Network, such as water, sewer and storm sewer mains, at $787.4 million. Assets under construction are $421.6 million and include the Remai Modern Art Gallery, the Civic Operations Centre and several utility and land development projects.

Financial Control and Accountability

The City ensures strong financial management and accountability policies and practices are in place through a number of means. The Strategic Goal of Asset and Financial Sustainability is a key driver in this objective.

Strong Management and Fiscal Responsibility is one of the City's Leadership Commitments that drives the organization throughout the daily activities and the manner in which it works towards the Strategic Goals. This commitment along with the other Leadership Commitments enables the practice of strong financial controls and accountability that helps the City maintain its AAA credit rating.

Conclusion

Saskatoon continues to enjoy a strong economy and steady growth. With it come the opportunities and challenges to build new, and rehabilitate existing infrastructure that is needed as part of a growing community.

To address growth, "Growing Forward! Shaping Saskatoon" is a key initiative that will help guide investments to accommodate growth to half a million people. Saskatoon has a need for a new way of planning for the future to help navigate challenges associated with immense population growth. The resulting growth plan will ensure Saskatoon continues to be a great place to live by creating opportunities for wealth and prosperity, so everyone in the community benefits.

As part of the City's Strategic Goal of Asset and Financial Sustainability, the continued investment in the improvement to roads is one of the key strategies to address the condition of one of the largest components of the existing infrastructure. The result will be not only better road conditions, but an improved roadway network that will lead to more and better options for transportation that are practical for vehicles, buses, bikes, and pedestrians, and an optimal flow of people and goods around the city.

In February 2015, the City once again had its AAA/Stable credit rating affirmed by Standard and Poor's. The rating was based on the 2013 financial results that reflected "exceptional" liquidity, very low and managed debt levels, as well as the current financial and economic outlooks.

The City continues to develop a long-term financial plan to address these challenges that ensures financial sustainability as well as meeting the future needs of a growing city.

Kerry Tarasoff, FCPA, FCMA
CFO/General Manager, Asset & Financial Management Department

CONSOLIDATED FINANCIAL STATEMENTS

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2014

City of Saskatoon

The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for local governments established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgements of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that financial records are reliable for the presentation of financial statements.

The Standing Policy Committee on Finance of the City of Saskatoon comprises six elected officials who are appointed annually. The Committee recommends the engagement of the Internal and External Auditors, approves the annual and long-term audit plans, and reviews the audit reports and the audited financial statements for presentation to City Council.

Deloitte LLP, Chartered Professional Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the Consolidated Financial Statements, follows.

Murray Totland, P. Eng., MBA
City Manager

Kerry Tarasoff, FCPA, FCMA
CFO/General Manager, Asset & Financial Management Department

September 1, 2015

INDEPENDENT AUDITOR'S REPORT

To His Worship the Mayor and City Council:

We have audited the accompanying consolidated financial statements of the City of Saskatoon, which comprise the consolidated statement of financial position as at December 31, 2014, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Saskatoon as at December 31, 2014 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Chartered Licensed Accountants
September 1, 2015
Saskatoon, Saskatchewan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2014 (in thousands of dollars)

	2014	2013
Financial Assets		
Cash and Cash Equivalents (Note 2)	$ 99,994	$ 37,147
Taxes Receivable (Note 3)	10,803	10,692
Accounts Receivable and User Charges (Note 3)	111,224	100,369
Loans Receivable (Note 4)	3,135	3,980
Land Inventory for Resale	5,920	5,920
Other Assets (Note 5)	6,119	7,363
Investments (Note 6)	380,096	339,316
Accrued Pension Asset (Note 8)	1,469	4,176
Total Financial Assets	**$ 579,390**	**$ 564,099**
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	129,150	144,059
Deferred Revenue (Note 10)	107,101	99,555
Term Debt (Note 11)	236,194	234,508
Employee Benefits Payable (Note 12)	35,812	33,162
Total Financial Liabilities	**$ 511,257**	**$ 511,284**
Total Net Financial Assets	**$ 68,133**	**$ 52,815**
Non-Financial Assets		
Prepaid Expenditures	2,076	2,859
Tangible Capital Assets (Note 18)	3,373,486	3,188,310
Inventory of Materials and Supplies	11,104	10,348
Total Non-Financial Assets	**$ 3,387,266**	**$ 3,201,517**
Accumulated Surplus (Note 19)	**$ 3,455,399**	**$ 3,254,332**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2014 (in thousands of dollars)

	2014 Budget	2014	2013
Revenues			
Taxation (Note 7)	$ 198,197	$ 198,997	$ 179,380
Grants-in-Lieu of Taxes (Note 7)	14,042	4,329	4,429
User Charges	358,952	360,810	338,679
Government Transfers (Note 13)	63,459	64,463	64,883
Investment Income	9,330	13,479	12,173
Contribution from Developers and Others	-	118,495	126,275
Other	49,269	44,701	40,218
Total Revenue	**693,249**	**802,642**	**765,033**
Expenses			
General Government	30,569	28,689	30,557
Transportation	145,609	149,303	145,911
Protection of Persons & Property	135,709	141,953	135,822
Recreation & Culture	67,480	103,213	94,332
Social & Family Services	3,956	4,398	6,032
Planning & Development	32,207	36,927	39,946
Saskatoon Light & Power	111,521	106,569	98,376
Environmental Health	129,644	91,518	92,230
Debt Servicing Costs	26,462	7,135	6,043
Total Expenses	**683,249**	**667,694**	**647,139**
Surplus of Revenues over Expenses before Other Capital Contributions	-	**134,948**	**117,894**
Other Capital Contributions			
Government Transfers (Note 13)	-	16,762	35,031
Contribution from Developers and Others	-	49,829	65,715
Federation of Canadian Municipalities Green Fund Grant	-	28	91
Total Other Capital Contributions	-	**66,619**	**101,837**
Surplus of Revenues over Expenses	-	**201,567**	**219,731**
Accumulated Surplus, Beginning of Year (Note 19)	3,254,332	3,254,332	3,034,601
Accumulated Surplus, End of Year (Note 19)	**$ 3,254,332**	**$ 3,455,899**	**$ 3,254,332**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2019 (in thousands of dollars)

	[illegible]	[illegible]
Cash Flows from (used in) Operating Activities		
Surplus of Revenues over Expenses	$ [illegible]	$ [illegible]
Charges to Non-Cash Items		
Taxes Receivable	[illegible]	[illegible]
Accounts Receivable and User Charges	[illegible]	[illegible]
Loan Receivable	[illegible]	[illegible]
Land Inventory for Resale	[illegible]	[illegible]
Other Assets	[illegible]	[illegible]
Accrued Pension Asset	[illegible]	[illegible]
Prepaid Expenditures	[illegible]	[illegible]
Inventory of Materials and Supplies	[illegible]	[illegible]
Accounts Payable and Accrued Liabilities	[illegible]	[illegible]
Deferred Revenue	[illegible]	[illegible]
Employee Benefits Payable	[illegible]	[illegible]
Amortization	[illegible]	[illegible]
Total Cash Flow from Operating Activities	[illegible]	[illegible]
Cash Flows used in Investing Activities		
Net Increase in Investments	[illegible]	[illegible]
Total Cash used in Investing Activities	[illegible]	[illegible]
Cash Flows from (used in) Financing Activities		
Proceeds from Term Debt	[illegible]	[illegible]
Term Debt Repaid	[illegible]	[illegible]
Total Cash Flow from Financing Activities	[illegible]	[illegible]
Cash Flow used for Capital		
Acquisition of Tangible Capital Assets	[illegible]	[illegible]
Total Cash Flow used in Capital Activities	[illegible]	[illegible]
Net Increase (Decrease) in Cash and Cash Equivalents	[illegible]	[illegible]
Cash and Cash Equivalents at Beginning of Period	[illegible]	[illegible]
Cash and Cash Equivalents at End of Period	[illegible]	[illegible]

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2014 (in thousands of dollars)

	[illegible]	[illegible]
Surplus of Revenues over Expenses	[illegible]	[illegible]
Net Acquisition of Tangible Capital Assets	[illegible]	[illegible]
Amortization of Tangible Capital Assets	[illegible]	[illegible]
[illegible]	**[illegible]**	**[illegible]**
Net Change in Prepaid Expenses	[illegible]	[illegible]
Net Change in Inventory of Materials and Supplies	[illegible]	[illegible]
(Deficit) Surplus from Other Non-financial Expenditures	**[illegible]**	**[illegible]**
Increase (Decrease) in Net Financial Assets	[illegible]	[illegible]
Net Financial Assets, Beginning of Year	[illegible]	[illegible]
Net Financial Assets, End of Year	**[illegible]**	**[illegible]**

The accompanying notes are an integral part of these statements.

1. Accounting Policies

The consolidated financial statements of the City of Saskatoon (the "City") are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"), as recommended by the Chartered Professional Accountants of Canada ("CPA Canada"). Significant aspects of the accounting policies adopted by the City are as follows:

a. Basis of Consolidation

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenditures, and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- General Revenue and Capital Funds
- Board of Police Commissioners
- Fibrebuster Utility
- Storm Water Management Utility
- [illegible] Utility
- Saskatoon Light & Power
- Mendel Art Gallery
- Centennial Auditorium (Operating as TCU Place)
- Saskatchewan Place (Operating as SaskTel Centre)
- Saskatoon Public Library
- Reserve Funds

All interfund amounts have been eliminated through the consolidation. Schedule 6, and supporting Appendices 1 to 7, include only those revenues and expenditures reflected in the City's annual Operating Budget, which is prepared to identify the City's property tax requirements. Excluded from this Schedule are the operations of the Mendel Art Gallery, TCU Place, SaskTel Centre, Saskatoon Public Library, and the Sinking Fund.

The Saskatoon Public Library has an interest in the Saskatchewan Information & Library Consortium Services Inc. ("SILS"), which has been proportionately consolidated.

ii. Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

iii. Accounting for School Board Transactions

The taxation, other revenues, expenditures, assets, and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable/accounts receivable.

1. Accounting Policies (continued)

b. Basis of Accounting

i. Revenues and Expenditures

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Budget information is presented on a basis consistent with that used for actual results. The budget was approved by City Council on December 4, 2013. Any Council-approved changes made to capital budgets throughout the fiscal year have been excluded from the 2014 budgeted amounts.

ii. Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2014.

iii. Cash and Cash Equivalents

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

iv. Inventories of Materials and Supplies

Inventories of materials and supplies are valued at the lower of cost and net realizable value. Cost is determined using average costs.

v. Land Inventory for Resale

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of adjusted cost and net realizable value. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed.

vi. Investments

All investments are recorded at amortized cost using the effective interest rate method. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis. When there has been a loss in a value of an investment that is other than temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

vii. Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the revenue amount can be made.

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

viii. Pension Amounts

The City of Saskatoon makes contributions to the General Superannuation, Part-Time and Seasonal Employee Superannuation, Police Superannuation, and Fire and Protective Services Department Superannuation Plans on behalf of its staff. All plans are defined benefit plans with the exception of the Part-Time and Seasonal Employee Plan, which is a defined contribution plan. Pension expense for the defined benefit plans are based on actuarially determined amounts. Pension expense for the defined contribution plan is based on the City's contributions.

ix. Use of Estimates

The preparation of consolidated financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods. Significant estimates include pension amounts, employee benefits payable, landfill liability, the amortization of tangible capital assets, and the allocation of costs associated with land development, including contributions from developers.

x. Segmented Reporting

Segmented information on the consolidated financial activities is presented on Schedule 4. It is based on capital and operating services for both utilities and the general City programs, plus information on the Saskatoon Public Library, Mendel Art Gallery, TCU Place, and SaskTel Centre.

xi. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquistion, construction, development, or betterment of the asset. The cost less residual value of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

- Buildings . . . . . 25 to 50 years
- Plants and Facilities . . . . . 20 to 50 years
- Roadways . . . . . 20 to 75 years
- Underground Networks . . . . . 50 to 75 years
- Electrical Utility . . . . . 10 to 45 years
- Vehicles . . . . . 4 to 30 years
- Traffic Control . . . . . 15 to 30 years
- Machinery and Equipment . . . . . 5 to 25 years
- Land and Land Improvements . . . . . 20 to indefinite years
- Other: - Furniture and Fixtures . . . . . 10 to 20 years
  - Information and Communication . . . . . 10 to 15 years

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

xi. Tangible Capital Assets (continued)

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets is not capitalized.

(a) Contribution of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

(b) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(c) Land Under Roads

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.

(d) Cultural, Historical and Works of Art

The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings, and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed.

2. Cash and Cash Equivalents

	Cost		Market	
	2014	2013	2014	2013
Cash	$ 52,618	$ 32,753	$ 52,618	$ 32,753
Short Term Investments	4,316	4,394	4,316	4,394
Total	**$ 56,934**	**$ 37,147**	**$ 56,934**	**$ 37,147**

3. Receivables

It is the normal practice of the City to review its accounts receivable on a regular basis and write off any accounts which are considered to be uncollectable. A general allowance of $958 (2013 - $1,161) for uncollectable taxes is included in the balance of Taxes Receivable.

The City also calculates an allowance for uncollectable accounts relating to utility billings. For 2014 this amount is $50 (2013 - $179) and is included in Accounts Receivable and User Charges.

4. Loan Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15 year loan in the amount of $10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of $7,037 and a deferred grant of $3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 percent to 4.60 percent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2014 are $3,306 (2013 - $3,781).

5. Other Assets

	2014	2013
Deferred Charges	$ 6,639	$ 7,057
Other Inventory for Resale	280	306
	$ 6,919	**$ 7,363**

6. Investments

	Cost		Market	
	2014	2013	2014	2013
Investments	$ 383,006	$ 339,318	$ 395,126	$ 347,365

Investments consist primarily of corporate and government bonds. Maturities are between 2014- 2024 with effective interest rates of 1.0 percent to 5.45 percent.

2014 Investments contain $872 in restricted funds related to sinking funds accumulated to retire debt.

7. Net Taxes Available For Municipal Purposes

	2014	2013
Gross Taxation Revenue Collected	$ 347,638	$ 323,663
Taxes collected on Behalf of Others:		
Saskatoon School Division No. 13	(103,400)	(99,413)
St. Paul's Roman Catholic Separate School Division No. 20	(42,615)	(40,576)
Business Improvement Districts	(928)	(865)
Net taxes available for municipal purposes	**$ 200,695**	**$ 182,809**
Comprised of:		
Municipal	196,367	178,380
Grants-in-Lieu of Taxes	4,328	4,429
	$ 200,695	**$ 182,809**

The Education Act and *The Cities Act* set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenditures, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

8. Pension Plans

The City administers four employee pension plans - the General Superannuation Plan ("General Plan"), the Police Superannuation Plan ("Police Plan"), the Fire and Protective Services Department Superannuation Plan ("Fire Plan"), and the Part-Time and Seasonal Employee Superannuation Plan ("Seasonal Plan"). Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with the Canada Pension Plan, and is based on years of contributory service times a percentage of average earnings as defined by each plan. The Part-Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee's account (i.e. a money purchase plan).

8. Pension Plans (continued)

The accrued pension asset relates to the three main plans – the Police Plan, the Fire Plan, and the General Plan. The General Plan provides for partial inflation protection on benefits accrued to December 31, 2000. Fire and Police plans have provided for partial ad hoc indexing from time to time in the past when deemed affordable through plan surpluses. The latest increase for eligible retired members of the Fire Plan was granted January 1, 2008, for the Police Plan was granted July 1, 2010, and for the General Plan was granted January 1, 2011. In accordance with the latest filed valuation report as at December 31, 2013 for the General Plan and December 31, 2012 for the Fire and Police Plans, the average age of the 3,308 employees accruing service under the Plans is 43.27 years. There are five former employees who are entitled to temporary pension benefits. At present, the Plans provide benefits for 1,668 retirees and surviving spouses; benefit payments were $59,080 in 2014.

Employees make contributions in accordance with the following: General Pension 8.2 percent of salary; Fire Pension 10.9 percent of salary; and Police Pension 9 percent of salary while the City contributes an equal amount. In 2014, employee contributions for current and past service was $22,240 (2013 - $19,214), and the City's contributions were $21,730 (2013 - $18,361). A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued pension asset at December 31 includes the following components:

	2014	2013
Accrued benefit obligation	$ (1,123,862)	$ (1,024,362)
Pension fund assets		
Marketable securities	1,076,683	989,185
	(47,179)	(35,177)
Unamortized actuarial losses	48,928	39,353
Accrued benefit asset	1,749	4,176
Net carrying value of accrued pension asset	$ 1,749	$ 4,176

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting as at December 31, 2014 for the General Plan, December 31, 2013 for the Fire Plan, and December 31, 2012 for the Police Plan. There is a net unamortized actuarial loss to be amortized on a straight-line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans of 14 years on average.

The actuarial valuations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates.

The expected inflation rate is 2.5 percent for the three Plans. The discount rate used to determine the accrued benefit obligation is 6.7 percent for the General Plan, 6.60 percent for the Police Plan and 6.65 percent for the Fire Plan. The earnings increase rate is 3.5 percent for all three Plans.

Pension fund assets are valued using a market-related value which amortizes realized and unrealized gains and losses over a five-year period. The expected rate of return on General Plan assets is 6.7, 6.6 percent for the Police Pan assets and 6.65 percent for the Fire Plan assets. The actual rate of return on Plan assets in 2014 was 10.36 percent. The market value of assets at December 31, 2014 was $1,170,292 (2013 - $1,079,939).

8. Pension Plans (continued)

The total expenditures related to pensions in 2014 include the following components:

	2014	2013
Current period benefit cost	$ 37,266	$ 33,492
Less: Employee contributions	(22,240)	(19,214)
Amortization of actuarial loss	7,046	10,218
Pension expense excluding interest	**22,072**	**24,496**
Interest cost on the average accrued benefit obligation	69,351	66,179
Expected return on average pension plan assets	(67,241)	(61,664)
Pension interest expenditure	**2,110**	**4,515**
Total Pension Expense	**$ 24,182**	**$ 29,011**

9. Accounts Payable and Accrued Liability

Included in accrued liabilities is $6,388 (2013 - $5,307) for the estimated total landfill closure and post closure care expenditures. The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2014, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post closure care activities discounted at the City's average long-term borrowing rate of 3.85 percent. The expense recorded with respect to landfill closure liability is recorded in the Consolidated Statement of Operations.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 35 year post-closure period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 61 percent (2013 - 62 percent) of its total estimated capacity and its estimated remaining life is 46 years (2013 - 45 years). The period for post closure care is estimated to be 35 years (2013 - 35 years).

The expected lifespan for the Landfill has been conservatively estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013 and the beginning of multi-unit recycling in 2014, the diversion rate is expected to eventually rise from the current level of 23% to about 30%. The expected tonnes of total recyclable material captured is lower than originally anticipated because the increase in curbside and multi-unti collection was accompanied by a decrease in recycling depot tonnage. The optimization strategy for the Landfill is based on the existing facility footprint. Should additional lands be annexed into the Landfill footprint, the lifespan would also increase.

10. Deferred Revenue

	2014	2013
Development Charges	$ 73,546	$ 73,475
Federal Government Transfers	19,579	14,095
Ticket Sales and Other	14,476	11,985
	$ 107,601	**$ 99,555**

11. Term Debt

a. Debt

Year Repayable	2014	2013
2014	$ -	$ 21,405
2015	24,381	22,078
2016	22,634	20,304
2017	23,298	20,937
2018	24,002	21,602
2019	20,792	18,346
2020	17,389	14,890
2021	11,577	9,018
2022	11,934	9,309
2023	7,397	4,698
2024	5,875	3,097
2025	2,986	2,986
2026	3,078	3,078
2027	3,171	3,171
2028	3,267	3,267
2029	3,368	3,368
2030	3,469	3,469
2031	3,575	3,575
2032	911	910
2043	45,000	45,000
Total Debt	**238,104**	**234,508**
Sinking funds accumulated to retire debt	(872)	-
Net Debt	**$ 237,232**	**$ 234,508**

Interest rates range from 1.81 percent to 4.68 percent. All long-term debt instruments have been issued in Canadian Funds.

11. Term Debt (continued)

b. Components of Debt:

	2014	2013
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 2018 (offering rate at December 31, 2014 was 1.273%)	$ 14,375	$ -
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.30% revolves quarterly at progressively smaller amounts until February 9, 2032 (offering rate at December 31, 2014 was 1.279%)	49,246	51,593

c. Regulations

The regulations under *The Cities Act* require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board ("SMB") with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is $558,000 as approved by the SMB. The total interest paid by the City for debt in 2014 was $7,614.

12. Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2014 to December 31, 2014 would normally be available to employees after April 1, 2015.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long-term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements.

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

	2014	2013
Vacation leave accrual	$ 20,566	$ 18,504
Sick leave credits	15,246	14,658
	$ 35,812	$ 33,162

The City's liability for sick leave credits is an actuarially determined amount. Significant assumptions include: discount rate 3.00 percent; earnings increase rate 3.50 percent; and, inflation rate 3.50 percent.

13. Government Transfers

Government transfer programs include operations funding received from Funding Agreements such as the Federal Gas Tax Revenue Transfer Program, the Urban Highway Connector Program, the Provincial Revenue Sharing Program, the Provincial and Federal Police funding programs as well as Transit and Library Funding Agreements. The use of these funds are restricted to eligible expenditures as identified in the funding agreement. Authorization and approval are required before the funds can be expended. The following transfers have been included in revenues:

	2014	2013
Operating Transfers		
Federal	$ 8,802	$ 8,565
Provincial	55,661	56,318
	64,463	**64,883**
Capital Transfers		
Federal	3,128	20,340
Provincial	13,634	14,691
	16,762	**35,031**
	$ 81,225	**$ 99,914**

14. Contingencies

a. Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. One significant potential claim, the Graham Flatiron Joint Venture related to the construction contract for the South Circle Drive Bridge, is too early in the process to assess the likelihood of loss. It is the opinion of management that final determination of any other claims will not materially affect the financial position of the City.

b. Contractual Obligations

The City has not entered into any long-term contractual obligations, the recognition of which would materially affect these financial statements.

15. Property Realized Reserve

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2014, the gross value of the Property Realized Reserve is estimated to be $152,850 (2013 - $129,527) itemized as follows:

	2014	2013
Gross Value of Reserve, December 31	$ 152,850	$ 109,527
Advances Repayable from Future Revenue Fund Provisions	(8,720)	(6,149)
Property Purchased from Reserve and not yet re-sold (at estimated cost)	(115,175)	(75,466)
Net Balance of Reserve, December 31	**$ 28,955**	**$ 27,912**

16. Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are $4,050 (2013 - $3,801) and $1,242 (2013 - $1,097), respectively.

17. Expenditures By Object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object of expenses:

	2014	2013
Wages and Benefits	$ 268,778	$ 260,437
Contracted and General Services	158,191	113,033
Heating, Lighting, Power, Water, and Telephone	96,332	91,426
Materials, Goods and Supplies	21,101	41,389
Finance Charges	6,493	7,103
Donations, Grants and Subsidies	8,835	11,905
Amortization	109,966	101,845
	$ 667,694	**$ 647,138**

18. Tangible Capital Assets

	Net Book Value	
	2014	2013
Land	$ 264,768	$ 262,921
Land Improvements	159,136	153,745
Buildings	264,203	185,770
Roadways	939,411	939,750
Plant and Facilities	194,966	199,462
Underground Networks	787,429	757,940
Electrical Utility	205,324	199,583
Machinery and Equipment	16,497	14,129
Traffic Control	9,212	9,191
Vehicles	57,379	55,630
Other	23,543	22,085
	2,951,864	**2,799,219**
Assets under Construction	421,632	389,095
	$ 3,373,496	**$ 3,188,310**

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 5). Contributed assets totaled $16,634 (2013 - $43,848) and were capitalized at their fair value at the time of receipt.

19. Accumulated Surplus

	2014	2013
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	$ (24,456)	$ (30,019)
Unexpended capital financing (Schedule 2)	130,080	114,753
Reserves (Schedule 3)	94,670	105,883
	199,894	190,617
Net Investment in Tangible Capital Assets		
Tangible Capital Assets	9,373,486	9,188,310
Capital outlay financed by long-term liabilities to be recovered in future years (Note 19(iv))	(91,988)	(107,942)
Capital outlay financed by internal investments	(15,240)	(16,673)
	3,268,040	3,063,715
Total Accumulated Surplus	**$ 3,468,830**	**$ 3,254,332**

20. New Standards Not Yet Adopted

A number of new standards and amendments which may impact the City are not yet effective for the year ended December 31, 2014, and have not been applied in preparing these consolidated financial statements. In particular, PS 3260 Liability for Contaminated Sites is effective for financial statements on or after April 1, 2014. In addition, the following new standards and amendments to standards are effective for financial statements on or after April 1, 2015:

- PS 1201, Financial Statement Presentation
- PS 2601, Financial Currency Translation
- PS 3041, Portfolio Investments
- PS 3450, Financial Instruments

The extent of the impact on adoption of these standards is not known at this time.

SCHEDULE 1 - SCHEDULE OF FUNDS TO OFFSET TAXATION OR USER CHARGES IN FUTURE YEARS

For the Year Ended December 31, 2014 (in thousands of dollars)

Unaudited

	2014	2013
Balance, Beginning of Year	$ (30,013)	$ (12,048)
Transfer from (to) Revenue Stabilization Reserve	3,442	(5,073)
Increase in Employee Benefit Payables	(2,053)	(804)
Decrease in Accrued Pension Asset	(2,427)	(10,000)
Increase in Landfill Closure/Post Closure Care Liability	(1,081)	1,977
Increase in accrued term debt principal	7,000	360
Surplus (Deficit) for the Year (Schedule B)	202	(3,443)
Balance, End of Year	$ (26,930)	$ (30,013)

SCHEDULE 2 - SCHEDULE OF CAPITAL OPERATIONS

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Source of funds			
Province of Saskatchewan	$ 10,997	$ 165	$ 2,259
Provincial Building Communities Program	-	2,274	279
Urban Highway Connector Program	-	673	45
Government of Canada	(1,275)	(4)	-
Federal Transit Funding Program	5,775	3,310	310
Federal Gateway and Border Crossings	167	2,881	6,224
Building Canada Fund (FED)	655	2,273	11,340
Building Canada Fund (PRDM)	655	325	4,950
FCM Green Fund Grant	-	28	21
Western Economic Diversification	-	105	-
Taxation	-	6,200	4,231
Utility Contribution	1,438	6,091	6,168
Borrowing	60,000	-	-
Contributions from Developers Benefiting Property Owners and Other Users	17,430	61,850	14,455
Appropriations			
Operating Surplus	2,500	-	-
Reserves	(51,185)	(51,854)	(58,270)
Library Capital Reserve	100	-	-
	68,857	61,874	68,158
Expenditures			
General Government	145,000	7,000	17,088
Protection of Persons and Property	3,000	4,348	45,745
Transportation	(12,087)	(12,087)	(102,071)
Environmental Health	45,278	45,368	46,040
Social & Family Services	500	(540)	(1,852)
Planning & Development	46,333	56,000	34,738
Recreation & Culture	9,705	46,174	55,868
Saskatoon Light & Power Expansion and Replacements	(3,500)	18,027	18,250
Library	150	-	-
	438,331	329,340	379,710
Increase in Unexpended Capital Financing	-	16,350	(51,894)
Unexpended Capital Financing, Beginning of Year	-	116,704	148,318
Unexpended Capital Financing, End of Year	$ -	$ 133,054	$ 116,704

SCHEDULE 3 - SCHEDULE OF RESERVES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014	2013
Replacement		
Albert Community Centre	$ 7	$ 6
Automated Garbage Containers	(134)	(461)
Access Transit	49	(161)
Boards:		
TCU Place	1,352	1,027
Saskatoon Public Library	3,791	3,725
Mendel Art Gallery	44	108
SaskTel Centre	407	453
Buildings and Grounds Equipment	130	73
Bus Replacement	201	1,059
Civic Radio Reserve	80	80
Civic Vehicles and Equipment	1,027	798
Computer Equipment	301	450
Fire Apparatus	873	807
Fire Equipment	57	335
Grounds Maintenance Equip Acquisition	96	157
Infrastructure Replacement:		
Parks	(2,340)	(1,951)
Storm Water Management	1,433	946
Surface Improvements	419	473
Water and Sewer Replacement	(15,511)	(14,614)
Landfill	(3,931)	(5,427)
Leisure Service Equipment	687	493
Paved Roadways Infrastructure	39	-
Photocopy Machine	282	595
Police - Vehicle/Radio	779	831
Radio Trunking	281	338
Saskatoon Light & Power	8,126	7,098
Wastewater Collection/Treatment	249	62
Water Utility	1,005	216
Weigh Scales	181	181
Balance, End of Year	$ (20)	$ (2,243)

(continued on next page)

SCHEDULE 3 - SCHEDULE OF RESERVES (CONTINUED)

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014	2013
Future Expenditures		
Animal Services	$ 168	$ 138
Animal Trading - Zoo	65	62
Active Transportation Reserve	8	-
Affordable Housing - Operating	1,019	1,963
Arbor Creek Parks	191	198
Boards:		
TCU Place	4,934	3,313
Saskatoon Public Library	20,582	18,094
Mendel Art Gallery	4,980	8,802
SaskTel Centre	4,871	4,688
Bridge Major Repairs	3,047	380
Building Permits/Inspections	6,042	5,601
Campsite	387	281
Cemetery	270	216
Civic Buildings Comprehensive Maintenance	1,665	530
Civic Hospitality	152	134
Community Support Grant	187	195
Corporate Capital	544	198
Corporate Information Systems Development	567	492
Cosmo Stabilization	30	60
Cultural Capital	49	2
Dedicated Lands	3,027	1,249
Dedicated Roadways	1,012	812
Downtown Housing	518	651
Errors and Omissions	591	497
Facade Conservation and Enhancement	84	50
Fire Department Uniforms	243	230
Fiscal Stabilization	6,151	7,268
Forestry Farm	169	181
Fuel Stabilization	1,325	1,000
General Voting	156	86
Golf Course Capital	647	461
Golf Course Stabilization	200	200
Heritage Fund	229	220
Holiday Park Golf Course Development	877	770
Idylwyld Drive Maintenance	936	917
Insurance Deductible	2,175	1,635
Interest Stabilization	2,029	2,003
Lakeridge Ponding	57	57
Land Bank	(22,823)	(20,809)
Land Operations	2,725	3,199
Neighbourhood Park Enhancement	304	348

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SCHEDULE 3 - SCHEDULE OF RESERVES (CONTINUED)

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014	2013
Parking Facilities	$ 788	$ 897
Parks Grounds Maintenance Stabilization	400	-
Pest Control	41	68
Police Equipment	224	46
Police Facilities Major Repair	430	430
Planning Levy	731	803
Prepaid Services	(47,418)	(15,571)
Property Realized	28,955	27,912
Public Works Building	73	63
Recycling Utility Stabilization	247	-
Reserve for Capital Expenditures	804	3,760
River Landing Capital	153	120
S'toon Minor Football Field Stabilization	65	-
Saskatoon Light & Power Distribution Extension	(4,975)	(6,331)
Saskatoon Light & Power Revenue Stabilization	932	-
Saskatoon Soccer Capital	871	647
SIGI Reserve (Saskatchewan Infrastructure Growth Initiative)	-	22
Sign Shop Equipment Acquisition	158	99
Snow & Ice Contingency	489	2,025
Snow & Ice Equip Acquisition	152	267
Special Events	1,235	815
Sports Participation	84	79
Storm Water Management Utility Stabilization	1,100	1,376
Streetscape	2,658	4,733
Street Cleaning/Sweeping Acquisition	104	77
Sundry	27,194	27,879
Traffic Noise Attenuation	900	372
Traffic Safety	801	170
Transit Capital	(5)	(46)
Transportation Infrastructure Expansion	(254)	(2,084)
Transit Stabilization	-	88
Vehicle and Equipment	3,627	1,968
Warranty	2,136	1,266
Wastewater Collection/Treatment Capital	4,041	4,664
Water and Wastewater Utility Stabilization	6,800	4,634
Water Capital Projects	159	256
Weather	-	250
Balance, End of Year	**84,090**	**108,126**
Total Reserves, End of Year	**$ 84,070**	**$ 105,883**

SCHEDULE 4 - SCHEDULE OF FINANCIAL ACTIVITIES BY SEGMENT For the Year Ended December 31, 2014 (in thousands of dollars)

Unaudited

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	SaskTel Centre	Consolidation Adjustments	2014
Revenues										
Taxation	$ 178,318	$ -	$ 4,543	$ -	$ 18,049	$ -	$ -	$ -	$ (4,543)	$ 196,367
Grants-in-Lieu	33,135	-	-	-	-	-	-	-	(28,807)	4,328
User Charges	81,755	269,875	-	-	294	564	11,328	22,431	(25,434)	360,813
FCM Green Fund Grant	28	-	-	-	-	-	-	-	-	28
Government Transfers	62,879	-	13,403	3,329	701	913	-	-	-	81,225
Investment Income	10,342	-	-	-	-	-	62	153	2,918	13,475
Contribution from Developers	-	-	41,868	2,271	-	-	-	-	124,185	168,324
Other	48,343	-	-	-	238	-	-	-	(3,880)	44,701
From Reserves	-	-	216,248	34,835	-	-	-	-	(251,083)	-
Utility Contribution	-	-	-	8,061	-	-	-	-	(8,061)	-
Total Revenues	**414,800**	**269,875**	**276,062**	**48,496**	**19,282**	**1,477**	**11,390**	**22,584**	**(194,705)**	**869,261**
Expenses										
General Government	61,477	-	7,945	-	-	-	-	-	(42,733)	26,689
Protection of Persons and Property	141,316	-	4,981	-	-	-	-	-	(4,344)	141,953
Transportation	84,595	5,413	112,781	539	-	-	-	-	(54,025)	149,303
Environmental Health	16,075	104,959	39,967	45,641	-	-	-	-	(115,124)	91,518
Social & Family Services	4,266	-	(540)	-	-	-	-	-	672	4,398
Planning & Development	31,609	-	35,103	-	-	-	-	-	(29,785)	36,927
Recreation & Culture	43,803	-	45,895	-	19,398	9,969	12,032	22,313	(50,197)	103,213
Saskatoon Light & Power	1	151,133	3,018	15,104	-	-	-	-	(62,688)	106,568
Debt Servicing Costs	12,557	1,731	-	-	-	-	-	-	(7,163)	7,125
Total Expenses	**395,699**	**263,236**	**249,150**	**61,284**	**19,398**	**9,969**	**12,032**	**22,313**	**(365,387)**	**667,694**
Surplus/(Deficit) of Revenues over Expenses	**$ 19,101**	**$ 6,639**	**$ 26,912**	**$ (12,788)**	**$ (116)**	**$ (8,492)**	**$ (642)**	**$ 271**	**$ 170,682**	**$ 201,567**

SCHEDULE 4 - SCHEDULE OF FINANCIAL ACTIVITIES BY SEGMENT For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	Credit Union Centre	Consolidation Adjustments	2013
Revenues										
Taxation	$ 161,209	$ -	$ 4,211	$ -	$ 17,171	$ -	$ -	$ -	$ (4,211)	$ 178,380
Grants-in-Lieu	30,921	-	-	-	-	-	-	-	(26,492)	4,429
User Charges	82,797	249,110	-	-	318	539	11,720	20,089	(25,898)	338,675
FCM Green Fund Grant	-	-	-	91	-	-	-	-	-	91
Government Transfers	63,613	-	20,340	14,691	701	561	-	-	8	99,914
Investment Income	8,913	-	-	-	-	-	76	71	3,113	12,173
Contribution from Developers	-	-	13,696	2,053	-	-	-	-	175,210	192,990
Other	44,134	-	-	-	235	-	-	50	(4,201)	40,218
From Reserves	-	-	246,264	40,015	-	-	-	-	(286,279)	-
Utility Contribution	-	-	-	8,189	-	-	-	-	(8,189)	-
Total Revenues	**391,587**	**249,110**	**284,511**	**65,039**	**18,425**	**1,100**	**11,796**	**20,210**	**(176,939)**	**866,870**
Expenses										
General Government	57,128	-	18,145	-	-	-	-	-	(44,717)	30,557
Protection of Persons and Property	139,023	-	44,105	-	-	-	-	-	(47,306)	135,822
Transportation	84,354	4,931	133,272	194	-	-	-	-	(76,840)	145,911
Environmental Health	12,195	97,083	30,316	59,056	-	-	-	-	(106,421)	92,230
Social & Family Services	3,986	-	(1,952)	-	-	-	-	-	3,998	6,032
Planning & Development	29,976	-	55,189	-	-	-	-	-	(60,204)	39,946
Recreation & Culture	45,833	-	26,980	-	18,544	3,788	12,399	20,046	(18,383)	94,222
Saskatoon Light & Power	2	140,841	4,666	14,785	-	-	-	-	(63,918)	96,376
Debt Servicing Costs	10,185	1,586	-	-	-	-	-	-	(5,728)	6,043
Total Expenses	**382,682**	**244,441**	**310,721**	**74,035**	**18,544**	**3,788**	**12,399**	**20,046**	**(419,519)**	**647,139**
Surplus/(Deficit) of Revenues over Expenses	**$ 8,905**	**$ 4,669**	**$ (26,210)**	**$ (8,996)**	**$ (119)**	**$ (2,688)**	**$ (603)**	**$ 164**	**$ 242,580**	**$ 219,731**

SCHEDULE 5 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2014 (in thousands of dollars)

Unaudited

	Cost					Accumulated Amortization				Net Book Value	
										Tangible Capital Assets End of Year	
	Opening Balance	Additions	Disposals	Adjustments	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Amortization	Accumulated Amortization End of Year	2014	2013
Land	$ 262,921	$ 11,114	$ 2,900	$ (12,167)	$ 264,768	$ -	$ -	$ -	$ -	$ 264,768	$ 262,921
Land Improvements	265,330	18,674	-	(2,433)	281,571	111,585	-	10,850	122,435	159,136	153,745
Buildings	287,846	116,414	-	(1)	404,259	102,076	-	7,981	110,057	294,202	185,770
Roadways	1,473,826	53,188	-	(6,120)	1,520,894	534,076	-	47,406	581,482	939,412	939,750
Plant and Facilities	279,570	3,490	-	(1,306)	281,754	80,108	-	6,679	86,787	194,967	199,462
Underground Networks	1,038,068	43,903	-	(12)	1,081,959	280,128	-	14,402	294,530	787,429	757,940
Electrical Utility	325,428	26,300	(183)	-	351,544	136,835	140	9,525	146,220	205,324	188,593
Machinery and Equipment - Cost	25,841	4,184	(53)	-	29,772	11,513	5	1,768	13,276	16,496	14,128
Traffic Control	19,327	678	-	-	20,005	10,136	-	657	10,793	9,212	9,191
Vehicles	131,727	9,623	(3,547)	1	137,804	76,097	3,010	7,343	80,429	57,375	55,630
Other Property, Plant and Equipment	87,664	4,817	-	(5)	92,476	65,579	-	3,354	68,933	23,543	22,085
Assets under Construction	399,095	27,749	-	(5,222)	421,622	-	-	-	-	421,622	399,095
Total	**$4,596,443**	**$ 320,134**	**$ (883)**	**$ (27,265)**	**$4,888,428**	**$1,408,133**	**$ 3,155**	**$ 109,965**	**$1,514,942**	**$3,373,486**	**$3,188,310**

SCHEDULE 6 - SCHEDULE OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Revenues			
Taxation	$ 178,347	$ 178,318	$ 161,177
Grants-in-Lieu of Taxes	32,836	33,135	30,921
General Revenues	78,033	83,977	78,957
User Fees	52,833	48,847	49,768
Transfers from Other Gov't (Grants)	62,808	62,878	63,613
Land Administration Fee	6,988	7,024	7,119
Total Revenues for the Year (Appendix 1)	**411,845**	**414,179**	**391,555**
Expenditures			
Community Support	14,618	14,777	14,235
Corporate Asset Management	2,474	7,145	8,064
Environmental Health	18,480	18,456	17,738
Corporate Governance & Finance	91,849	80,572	63,229
Land Development	6,935	7,024	7,119
Fire Services	42,502	43,944	43,706
Recreation & Culture	51,855	51,508	49,143
Police	81,211	85,038	79,429
Transportation	89,161	93,154	98,879
Urban Planning & Development	11,564	10,843	12,370
Taxation	1,196	1,165	1,085
Total Expenditures for the Year (Appendix 2)	**411,845**	**413,626**	**394,997**
Surplus (Deficit)	**$ -**	**$ 553**	**$ (3,442)**

APPENDIX 1 - SCHEDULE OF REVENUES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Taxation			
Property Levy	$ 177,834	$ 177,945	$ 160,812
Municipal Services Agreement	195	204	193
Trailer Occupancy	176	95	102
Amusement	142	74	70
	178,347	178,318	161,177
Grants-in-Lieu of Taxes			
Senior Governments and Agencies	4,450	4,779	4,438
Own Utilites - Saskatoon Light & Power	28,149	20,202	18,881
Own Utilities-Water	-	4,505	4,301
Own Utilites-Wastewater	-	3,371	3,105
Land Bank Program	237	278	196
	32,836	**33,135**	**30,921**
General Revenues			
R.M. of Corman Park	75	75	75
Provincial Government	1,071	941	1,021
Licence and Permits	8,824	8,293	8,853
Fines and Penalties	8,772	9,610	9,644
Automated Enforcement Fines	1,727	2,847	1,170
Property Rentals	2,392	2,917	1,973
Franchise Fees	18,963	20,957	19,224
Interest Earnings	9,335	10,342	8,913
Tax Penalties	1,250	1,619	1,546
Other Revenue	180	469	355
Utility Return on Investment	23,410	23,880	23,761
Administration Recovery	2,024	2,024	2,149
Soccer Centre Tax Agreement & Other Grant	10	23	23
Land Bank Distribution	-	-	250
	$ 78,033	**$ 83,977**	**$ 78,957**

(continued on next page)

APPENDIX 1 - SCHEDULE OF REVENUES (CONTINUED)

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
User Fees			
Legal Fees	$ 222	$ 229	$ 233
Tax Searches and Enforcement	203	219	211
Police	1,180	1,748	1,581
Fire	159	261	200
Engineering	802	799	797
Parking	5,603	5,756	5,690
Solid Waste Management	7,020	6,095	5,794
Environmental Protection	824	114	301
Transportation	245	231	223
Cemetery	1,150	1,123	1,032
Planning	340	283	302
Tourist Campsite	553	590	553
Forestry Farm Park	789	896	858
Albert Community Centre	113	179	181
Marr Residence	1	-	-
Swimming Pools	419	418	396
Golf Courses	3,737	3,525	3,513
Skating Rinks	2,026	2,028	2,019
Rentals	5,749	5,798	5,515
Programming	6,402	6,008	5,805
Ball Fields	30	-	36
Outdoor Sports Fields	504	415	351
Transit	14,639	11,856	13,928
River Landing	143	309	309
	52,853	**48,847**	**49,768**
Transfers from Other Gov't (Grants)			
Transfers from Other Gov't (Grants)	62,808	62,878	63,613
	62,808	**62,878**	**63,613**
Land Administration			
Land Administration Fee	6,988	7,024	7,119
	6,988	**7,024**	**7,119**
Total Revenues	**$ 411,848**	**$ 414,179**	**$ 391,555**

APPENDIX 2 - SCHEDULE OF EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Community Support			
Community Development	$ 3,229	$ 3,216	$ 3,043
Community Investments & Supports	8,574	8,835	8,412
Animal Control	1,357	1,259	1,317
Cemeteries	1,459	1,467	1,463
	14,619	**14,777**	**14,235**
Corporate Asset Management			
Vehicle & Equipment Services	-	-	(325)
Civic Facilities	2,474	7,145	8,389
	2,474	**7,145**	**8,064**
Environmental Health			
Environmental Program	1,089	932	712
Waste Collection and Disposal	12,522	13,386	12,409
Waste Minimization	705	705	705
Urban Forestry	3,352	3,260	3,146
Pest Management	812	773	766
	18,480	**18,456**	**17,738**
Corporate Governance & Finance			
Legislative	1,493	1,330	1,282
City Manager's Office	633	654	1,554
City Clerk's Office	2,200	2,117	2,034
City Solicitor's Office	1,989	2,097	1,989
Financial Services	3,829	3,831	3,538
Revenue Services	1,826	1,826	1,810
Assessment	3,551	3,260	3,272
Corporate Support	14,249	14,249	14,454
General Services	56,389	64,364	30,177
City-Owned Property	2,379	2,258	147
Fines & Penalties	3,301	4,596	2,982
	91,849	**80,572**	**63,229**
Land Development			
Land Development	6,935	7,024	7,119
	$ 6,935	**$ 7,024**	**$ 7,119**

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APPENDIX 2 - SCHEDULE OF EXPENDITURES (CONTINUED)

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Fire Services			
Fire	$ 42,141	$ 43,039	$ 43,313
Emergency Measures	361	405	393
	42,502	**43,444**	**43,706**
Policing			
Police	81,211	80,039	79,429
	81,211	**80,039**	**79,429**
Recreation & Culture			
Spectator Ballfields	135	125	146
Marketing Services	630	669	599
Community Partnerships	210	312	227
Forestry Farm Park	2,331	2,396	2,232
Golf Courses	3,626	3,525	3,514
Gordon Howe Campsite	593	591	552
Indoor Rinks	2,311	2,240	2,155
Kinsmen Park	41	46	46
Outdoor Pools	1,151	1,117	1,017
Outdoor Sports Fields	883	916	783
Parks Maintenance & Design	13,248	12,783	11,905
Playground & Recreation Areas	693	620	612
Program Research & Design	204	218	186
Rec/Competitive Facilities - Program	9,658	9,975	9,389
Rec/Competitive Facilities - Rentals	9,657	9,736	9,538
Targeted Programming	569	573	541
Albert Community Centre	238	253	236
Credit Union Centre	459	469	459
Mer-Residence	21	21	26
Mendel Art Gallery	3,059	3,059	2,777
River Landing	336	358	479
TCU Place	1,450	1,450	1,462
	$ 51,940	**$ 51,886**	**$ 49,143**

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APPENDIX 2 - SCHEDULE OF EXPENDITURES (CONTINUED)

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Transportation			
Transit	$ 97,852	$ 97,294	$ 90,707
Access Transit	6,338	6,913	6,401
Transportation Services	6,797	7,418	6,855
Road Maintenance	15,240	15,583	20,150
Snow & Ice Management	13,249	13,359	13,331
Street Cleaning/Sweeping	5,585	4,716	2,972
Bridges, Subways, Overpasses	4,140	4,285	3,719
Street Lighting	5,532	5,882	5,974
Parking	4,512	4,512	3,259
Engineering	611	611	632
Impound Lot	709	719	710
	164,421	161,109	154,679
Urban Planning & Development			
Affordable Housing	422	338	434
Building Permits & Standards	6,672	6,110	6,744
Business Improvement Districts	138	138	138
Business Licenses & Bylaw Enforcement	1,318	1,259	1,231
Development Review	1,164	1,119	1,357
Future Growth	1,113	992	845
Neighborhood Planning	525	512	455
Research & Mapping	432	392	357
Urban Design	15	15	1,439
	11,799	10,865	13,379
Taxation			
Other Levies	1,110	1,054	1,004
Tax Loss Compensation	61	61	61
	1,159	1,103	1,065
Total Expenditures	$ 611,940	$ 613,629	$ 590,557

APPENDIX 3 - WATER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2016 (in thousands of dollars)

Unaudited

	2016 Budget	2016	2015
Revenues			
Metered	$ 29,779	$ 30,439	$ 27,816
Infrastructure Levy	5,160	5,160	5,000
Miscellaneous	140	207	259
Fire Protection Charge	650	650	640
Late Payment Penalties	120	138	145
	35,849	36,594	33,859
Expenditures			
General	6,424	6,267	7,651
Laboratory	-	(52)	221
Treatment and Pumping	10,200	8,550	8,314
Buildings and Grounds	650	703	648
Meters	1,314	1,400	1,512
Maintenance	7,305	8,200	6,695
Hydrants	1,310	894	719
Services	2,510	2,600	2,145
Contributions to Capital Reserves	16,429	16,500	16,340
Debt Charges	10,938	10,941	10,150
	56,849	56,403	54,431
Deficit Before Transfer from Reserve	-	(5,809)	5,697
Transfer from Stabilization Reserve	-	809	$ (5,697)
Surplus/(Deficit)	$ -	$ -	$ -

APPENDIX A - WASTEWATER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)

Unaudited

	2014 Budget	2014	2013
Revenues			
Metered	$ 25,710	$ 25,710	$ 25,007
Infrastructure Levy	6,400	6,813	6,189
Late Payment Penalties	140	90	115
Miscellaneous	674	1,000	1,045
Flood Protection Levy	3,400	3,700	3,007
	36,324	37,313	35,363
Expenditures			
General	3,742	3,454	3,455
Laboratory	-	(25)	678
Lift Stations	1,205	1,784	1,344
Pollution Control Plant	7,405	7,007	6,555
Sludge Handling and Disposal	1,445	1,451	1,545
Sewer Engineering	817	655	595
Sewer Inspections	645	574	578
Sewer Maintenance	6,245	5,051	5,014
Service Connections	2,405	1,744	2,405
Contribution to Capital Reserves	10,000	10,000	11,205
Debt Charges	3,240	3,195	3,240
	36,324	35,869	35,451
Surplus Before Transfer to Reserve	-	1,444	(88)
Transfer to Stabilization Reserve	-	(1,444)	88
Surplus/(Deficit)	$ -	$ -	$ -

APPENDIX 5 - STORM WATER MANAGEMENT UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Revenues			
Metered	$ 6,056	$ 5,359	$ 5,044
Late Payment Penalties	10	9	11
	6,066	**5,378**	**5,055**
Expenditures			
General	233	229	190
Storm Sewer Engineering	292	269	226
Storm Sewer Maintenance	1,756	1,315	1,356
Drainage	757	814	868
Contribution to Capital Reserves	3,028	3,028	1,685
	6,066	**5,655**	**4,446**
Deficit Before Transfer from Reserve	-	**(277)**	**610**
Transfer from Stabilization Reserve	-	277	(610)
Surplus/Deficit	$ -	$ -	$ -

APPENDIX 6 - SASKATOON LIGHT & POWER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Revenues			
Metered	$ 135,240	$ 134,650	$ 125,846
Municipal Surcharge	13,394	13,464	12,584
Service Connection Fee	450	439	438
Miscellaneous	559	540	541
Landfill Gas Generation	816	848	-
Tax Collection Commission	2	2	2
Late Payment Penalties	245	232	280
	150,506	**150,175**	**139,691**
Expenditures			
General	25,429	25,086	23,652
Power Purchased	78,812	77,360	72,869
Landfill Gas Generation	616	849	-
Buildings and Grounds	772	756	685
Poles, Lines, and Feeders	4,734	4,723	4,511
Substations	932	984	929
Street Lighting	1,130	1,554	1,046
Meters	1,288	1,140	1,241
System Operations	194	200	179
Provision for Capital Extension	5,996	5,996	4,891
Provision for Capital Replacement	7,187	7,187	5,910
	127,096	**126,835**	**116,933**
Surplus Before Transfer (to) from Reserve	**23,410**	**24,340**	**23,758**
Transfer to Stabilization Reserve	-	(932)	-
Surplus	**$ 23,410**	**$ 23,408**	**$ 23,758**

APPENDIX 7 - RECYCLING UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2014 (in thousands of dollars)
Unaudited

	2014 Budget	2014	2013
Revenues			
Recycling User Fees	$ 4,922	$ 4,653	$ 2,753
	4,922	**4,653**	**2,753**
Expenditures			
Recycling General	3,979	3,945	2,594
Leaves and Grass	943	708	-
	4,922	**4,653**	**2,594**
Surplus	-	-	**159**
Transfer to Stabilization Reserve	-	-	(170)
(Deficit)	**$ -**	**$ -**	**$ (11)**

STATISTICAL **(Unaudited)**

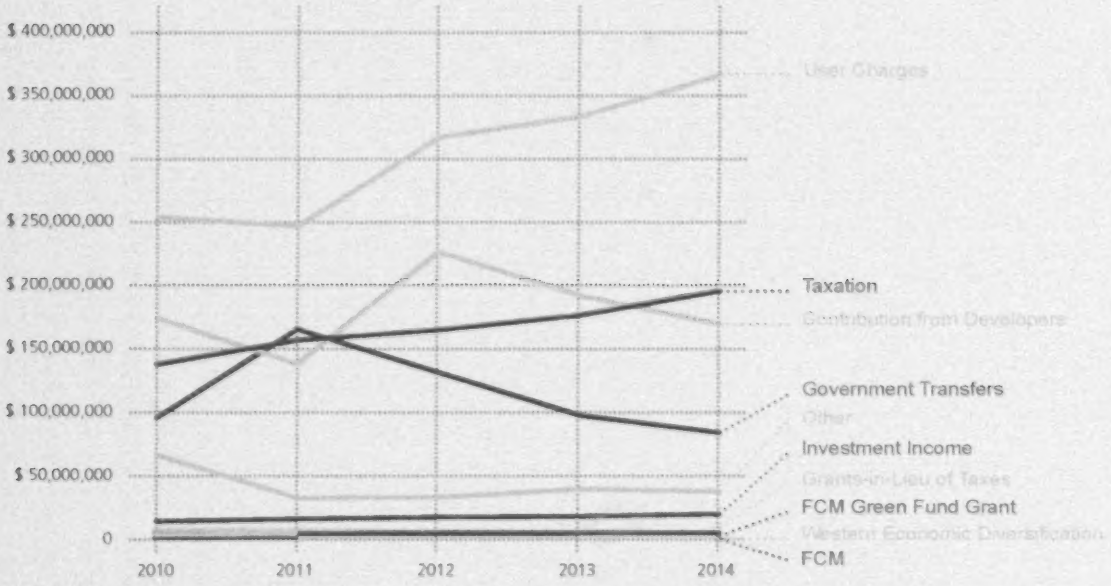
City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2014

CONSOLIDATED REVENUES AND EXPENDITURES

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

	2014	2013	2012	2011	2010
Consolidated Revenues					
Taxation	$ 196,367	$ 178,380	$ 166,000	$ 154,687	$ 144,696
Grants-in-Lieu of Taxes	4,328	4,429	4,043	4,133	3,855
User Charges	360,813	338,675	316,826	300,291	249,077
Federation of Canadian Municipalities	-	-	-	217	-
Federation of Canadian Municipalities Green Fund Grant	28	91	(54)	54	14
Government Transfers	81,225	99,914	135,798	164,660	98,544
Investment Income	13,475	12,173	11,305	10,987	9,622
Contribution from Developers	168,324	192,990	225,846	145,367	173,079
Other	44,701	40,218	35,386	32,956	67,431
Western Economic Diversification	-	-	-	5	420
Total Revenues	**$ 869,261**	**$ 866,870**	**$ 895,150**	**$ 813,357**	**$ 746,738**

CONSOLIDATED REVENUES

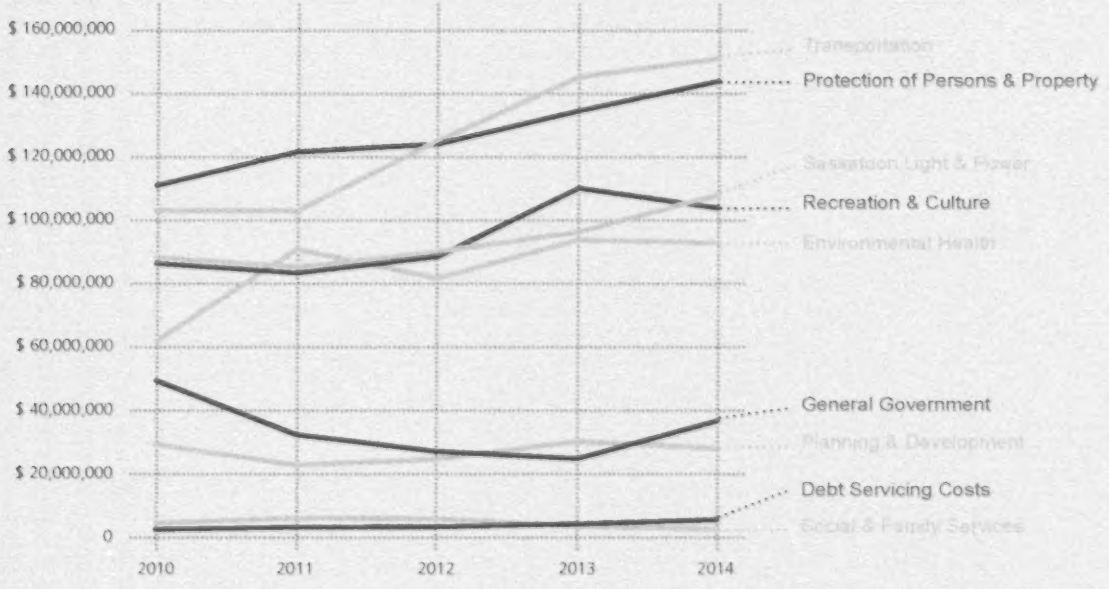


CONSOLIDATED REVENUES AND EXPENDITURES (CONTINUED)

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

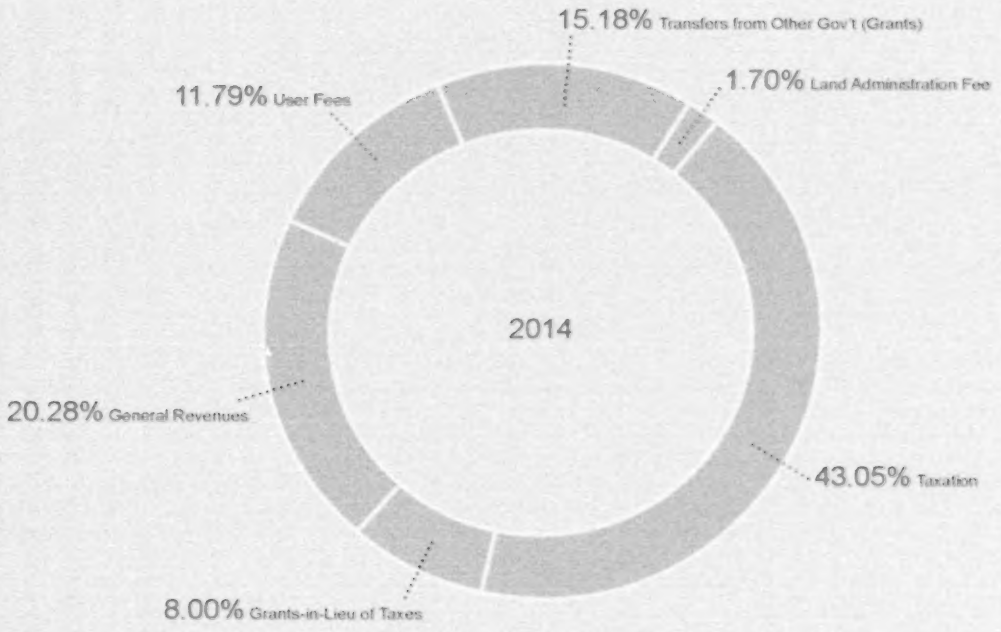
	2014	2013	2012	2011	2010
Consolidated Expenditures					
General Government	$ 26,689	$ 30,557	$ 25,177	$ 23,865	$ 29,272
Transportation	149,303	145,911	126,176	103,483	103,449
Protection of Persons & Property	141,953	135,822	125,748	121,840	113,970
Recreation & Culture	103,213	109,207	88,452	83,536	86,198
Social & Family Services	4,398	6,032	8,784	8,437	7,081
Planning & Development	36,927	24,961	27,976	36,879	48,817
Saskatoon Light & Power	106,568	96,376	89,733	86,930	88,837
Environmental Health	91,518	92,230	81,036	86,834	61,878
Debt Servicing Costs	7,125	6,043	5,999	4,019	3,834
Total Expenditures	**667,694**	**647,139**	**579,081**	**555,823**	**543,336**
Surplus of Revenues over Expenses	**$ 201,567**	**$ 219,731**	**$ 316,069**	**$ 257,529**	**$ 203,402**

CONSOLIDATED EXPENDITURES



SUMMARY OF REVENUES (SCHEDULE 6)

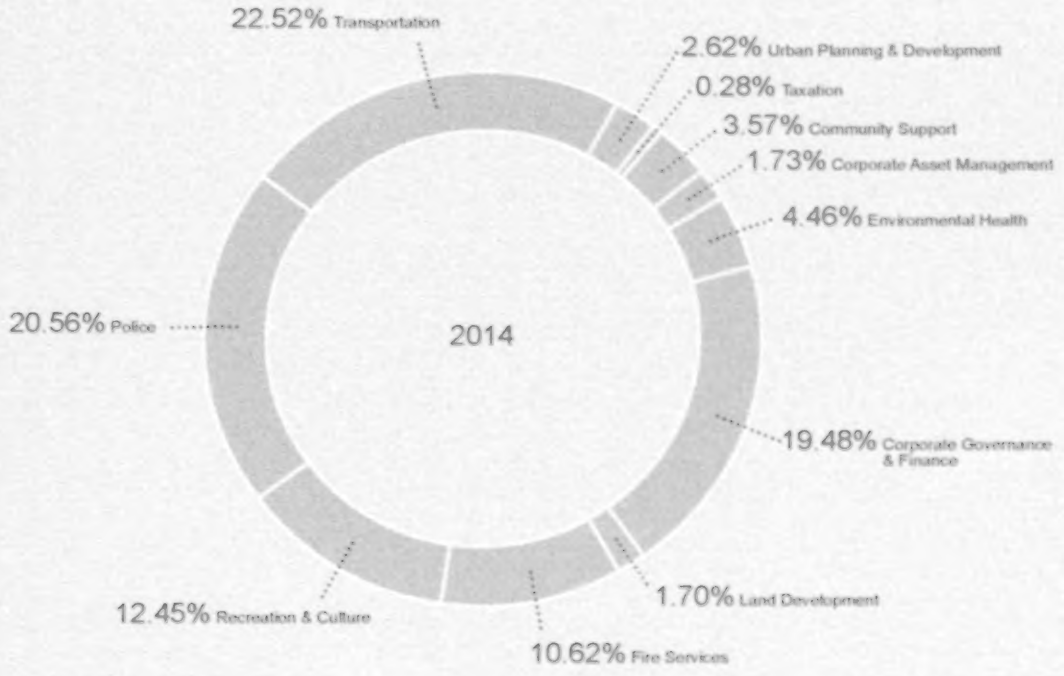
For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)



	2014	2013	2012	2011	2010
Taxation	$ 178,318	$ 161,177	$ 149,440	$ 139,049	$ 130,035
Grants-in-Lieu of Taxes	33,135	30,921	29,106	29,153	27,880
General Revenues	83,977	78,957	74,303	73,528	67,323
User Fees	48,847	56,887	43,479	38,588	37,270
Transfers from Other Gov't (Grants)	62,878	63,613	57,358	52,836	42,318
Land Administration Fee	7,024	-	-	-	-
Total	**$ 414,179**	**$ 391,555**	**$ 353,686**	**$ 333,154**	**$ 304,826**

SUMMARY OF EXPENDITURES (SCHEDULE 6)

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)



	2014	2013	2012	2011	2010
Community Support	$ 14,777	$ 14,235	$ 13,616	$ 8,342	$ 7,678
Corporate Asset Management*	7,145	8,064	6,509	-	-
Environmental Health	18,456	17,738	16,282	15,793	14,697
Corporate Governance & Finance	80,572	63,229	58,848	57,644	50,596
Land Development	7,024	7,119	9,443	6,690	7,111
Public Safety	-	-	-	116,950	109,907
Police*	85,038	79,429	75,604	-	-
Fire Services*	43,944	43,706	40,252	-	-
Recreation & Culture	51,508	49,143	46,233	45,100	43,379
Transportation	93,154	98,879	69,028	65,345	58,284
Urban Planning & Development	10,843	12,370	11,612	13,222	11,962
Taxation	1,165	1,085	1,184	995	792
Total	**$ 413,626**	**$ 394,997**	**$ 348,611**	**$ 330,081**	**$ 304,406**

* New Business Lines as of 2012

SUMMARY OF CAPITAL OPERATIONS

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

	2014	2013	2012	2011	2010
Sources of Funds					
Province of Saskatchewan	$ 165	$ 9,509	$ 36,075	$ 55,836	$ 365
Saskatchewan Water Corporation	-	-	3	-	-
Federal Gas Tax Program	-	-	4,189	6,090	6,997
Provincial Building Communities Program	2,274	279	54	980	216
Provincial Community Shares Program	-	-	-	-	-
Urban Highway Connector Program	473	45	4,956	1,221	-
Government of Canada	16	-	9	274	17
Federal Transit Funding Program	3,510	618	633	1,361	5,688
Federal Gateway and Border Crossings	2,961	8,224	18,238	31,176	29,603
Building Canada Fund (FED)	6,673	11,349	9,987	7,639	2,011
Recreational Infrastructure Canada (FED)	-	-	-	392	371
Recreational Infrastructure Canada (PROV)	-	-	-	-	763
Building Canada Fund (PROV)	529	4,858	3,055	1,555	373
Federal Infrastructure Stimulus Fund	-	-	12	3,875	8,058
Federation of Canadian Municipalities	-	-	90	217	-
Federation of Canadian Municipalities Green Fund Grant	28	91	(54)	54	14
Canada Mortgage and Housing Corporation Municipal Infrastructure Lending Program	-	-	-	-	44,000
Western Economic Diversification	130	-	-	-	409
Taxation	4,543	4,211	3,454	5,205	4,051
Utility Contribution	8,061	8,189	8,096	8,398	7,892
Contributions from Developers Benefitting Property Owners and Other Users	41,432	14,502	22,452	15,325	20,622

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SUMMARY OF CAPITAL OPERATIONS (CONTINUED)

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

	2014	2013	2012	2011	2010
Appropriations					
Sinking Fund	$ -	$ -	$ -	$ 675	$ -
Operating Surplus	-	-	-	-	144
Reserves	251,083	286,279	218,352	174,973	163,450
Library Reserve	-	-	-	50	-
	321,879	**348,154**	**329,605**	**316,296**	**295,044**
Application of Funds					
General Government	7,895	17,996	4,595	4,131	4,900
Protection of Persons & Property	4,949	43,743	57,761	19,579	6,425
Transportation	112,061	132,371	165,608	177,454	167,370
Environmental Health	85,068	88,640	93,572	69,622	80,045
Social & Family Services	(540)	(1,952)	187	-	4,103
Planning & Development	34,932	54,736	25,503	34,601	24,065
Recreation & Culture	44,174	24,890	12,029	9,618	9,045
Property Purchases and Development	-	-	-	-	11,292
Saskatoon Light & Power Expansion and Replacements	18,007	19,292	20,910	14,441	10,460
	306,546	**379,716**	**380,165**	**329,446**	**317,705**
Increase (Decrease) in Unexpended Capital Financing	**15,332**	**(31,562)**	**(50,560)**	**(14,150)**	**(22,661)**
Unexpended Capital Financing, Beginning of Year	114,753	146,315	196,875	211,025	233,686
Unexpended Capital Financing, End of Year	**$ 130,085**	**$ 114,753**	**$ 146,315**	**$ 196,875**	**$ 211,025**

SUMMARY OF PUBLIC UTILITIES OPERATING RESULTS

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

	2014	2013	2012	2011	2010
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Saskatoon Light & Power	$ 23,408	$ 23,758	$ 21,517	$ 23,907	$ 21,780
Transit System (before contribution from General Revenue)	-	-	(20,329)	(21,212)	(18,356)
Net Surplus	**23,408**	**23,758**	**1,188**	**2,695**	**3,424**
Amount contributed by Utilities to Revenue as Grants-in-Lieu of Taxes	$ 23,408	$ 26,266	$ 24,900	$ 24,698	$ 23,776

SUMMARY OF RESERVES AND SURPLUS

For the Years Ended December 31, 2014 to 2010 (in thousands of dollars)

	2014	2013	2012	2011	2010
Reserves					
Property Realized	$ 28,950	$ 47,912	$ 38,740	$ 15,499	$ 11,434
Replacement	(20)	(2,243)	(2,200)	(5,156)	(11,698)
Future Expenditures	65,135	60,214	79,162	42,107	43,462
Surplus/(Deficit)	969	(3,442)	5,075	3,073	420
	$ 94,603	**$ 102,441**	**$ 100,777**	**$ 55,524**	**$ 43,680**

SUMMARY OF TERM DEBT AND REQUIRED SINKING FUND CONSOLIDATION OF ALL OBLIGATIONS

As at December 31, 2014 to 2018

	2014	2015	2016	2017	2018
Total Term Debt	$ 230,103,000	$ 204,505,210	$ 187,125,012	$ 127,000,000	$ 145,010,451
	230,103,000	204,505,210	187,125,012	127,000,000	145,010,451
Population Estimate at Dec. 31 (1)	257,300	246,700	230,000	234,200	224,300
Gross Debt Per Capita	$ 925	$ 843	$ 825	$ 544	$ 643
Net Debt Per Capita	$ 922	$ 843	$ 825	$ 544	$ 643
Mill Rate Supported Debt	$ 514	$ 552	$ 443	$ 387	$ 403
Legal Debt Limit	$ 555,555,555	$ 414,555,555	$ 414,555,555	$ 414,555,555	$ 414,555,555
Debt servicing costs as a percentage of total expenditures	1.087%	0.934%	1.038%	0.723%	0.713%

(1) Population data is provided by the City Planning Branch, derived from Statistics Canada census data

SUMMARY OF TERM DEBT AND REQUIRED SINKING FUND BY RESPONSIBILITY CENTRE

For the Year Ended December 31, 2018

	[illegible]	[illegible]
Waterworks Utility	$ 65,788,149	$ 57,839,521
Wastewater Utility	20,669,813	12,847,149
Core Tax	32,287,088	41,149,489
Total Debt Not Supported by Civic Mill Rate	**108,745,050**	**86,787,749**
Total Civic Mill Rate Debt	109,999,000	108,731,989
Total Term Debt	**218,193,850**	**239,839,219**
Sinking Funds Accumulated to Retire Debt	(871,500)	-
Net Debt	**217,321,850**	**$ 239,839,219**
Population Estimate at Dec. 31	207,300	348,700
Gross Debt per Capita	$[illegible]	$[illegible]
Net Debt per Capita	$[illegible]	$[illegible]
Mill Rate Supported Debt	$[illegible]	$[illegible]

All figures are based on book values and have not been adjusted for foreign currency exchange.
Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

TERM DEBT MATURING WITH PERCENTAGES

As at September 31, 2014

Year	Long Term Debt Maturing	Percentage Yearly	Percentage Redeemable Incrementally
2015	$ 34,381,000	15.00%	15.00%
2016	22,934,000	9.97%	18.97%
2017	20,209,000	8.79%	27.82%
2018	24,000,000	10.44%	38.27%
2019	20,750,000	9.73%	48.17%
2020	17,000,000	7.39%	55.44%
2021	14,327,000	6.95%	62.39%
2022	14,000,000	6.09%	68.28%
2023	7,347,000	3.19%	65.36%
2024	5,675,000	2.46%	73.94%
2025	3,455,000	1.25%	73.06%
2026	3,075,000	1.25%	75.37%
2027	3,171,000	1.33%	74.70%
2028	3,287,000	1.37%	76.07%
2029	3,345,000	1.41%	77.48%
2030	3,459,000	1.45%	78.93%
2031	3,075,000	1.30%	80.23%
2032	91,000	0.35%	80.58%
2040	45,000,000	19.55%	99.09%
Total Debt	(230,146,000)	(100.000%)	
Working Funds Accumulated to Retire Debt	875,000		
Net Debt	$ 229,271,000		

SUMMARY OF PROPERTY ASSESSMENT AND TAX LEVY

For the Years Ended December 31, 2014 to 2010

	2014	2013*	2012	2011	2010
Gross Assessments	$ 32,187,650,200	$ 30,448,381,645	$ 15,389,037,180	$ 15,106,052,606	$ 14,753,816,654
Exemptions	7,394,587,326	7,137,299,775	3,222,423,140	3,237,388,060	3,202,875,913
Assessed Value for Taxation	**24,793,062,874**	**23,311,081,870**	**12,166,614,040**	**11,868,664,546**	**11,550,940,741**
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	7.28	6.79	12.08	11.57	11.08
Library	0.74	0.72	1.33	1.30	1.25
Education:					
Public Board / Separate Board	5.03	5.03	9.91	9.51	10.08
Total	**13.03**	**12.54**	**22.89**	**22.38**	**22.41**
	$ -	$ -	$ 302,869,121	$ 289,960,812	$ 283,447,250
Property Roll Collections:					
Current	$ 340,692,675	$ 318,630,299	$ 297,078,078	$ 287,554,659	$ 278,327,217
Arrears	8,041,664	6,968,087	5,815,050	5,823,629	5,472,156
Total Collected	**348,734,339**	**325,598,386**	**302,893,128**	**293,378,288**	**283,799,373**
Percentage of Levy Collected:					
Current	96.440%	96.19%	96.40%	96.20%	96.09%
Current and Arrears	98.050%	98.08%	98.20%	97.80%	94.96%
Taxes Outstanding:					
Current	$ 7,047,150	$ 6,208,711	$ 6,506,252	$ 5,321,930	$ 5,398,160
Arrears	2,136,065	1,580,279	1,495,262	1,382,920	1,285,838
	$ 9,783,215	**$ 9,788,990**	**$ 8,001,514**	**$ 6,704,850**	**$ 6,683,998**

* Reassessment Year

SASKATOON ECONOMIC STATISTICS

For the Years Ended December 31, 2014 to 2010

	2014	2013	2012	2011	2010
Saskatoon Population (December 31)*:	257,300	248,700	239,000	234,200	224,300
Annual Change	6.191%	4.059%	2.050%	4.414%	2.467%
Saskatoon Inflation Rate - Annual Change	1.900%	1.000%	1.470%	2.500%	1.200%
Saskatoon Unemployment Rate - Annual Average	3.580%	4.100%	5.600%	8.600%	8.300%
No. of Persons Employed in Saskatoon**	169,100	164,175	152,675	144,450	144,925
Saskatoon Building Permits					
Total Number	4,996	5,020	5,196	4,651	4,100
Total Value***	$ 878,238	$ 1,088,500	$ 1,082,100	$ 936,900	$ 666,100
Annual Change	(0.479)%	(3.400)%	15.500%	40.655%	23.800%

* Population data is provided by the City Planning Branch, derived from Statistics Canada census data.
** Number of Persons employed in Saskatoon has been restated to reflect updated information.
*** In thousands of dollars.

Sources of Information:
Statistics Canada
Conference Board of Canada
City of Saskatoon - Planning Branch, Community Services Department

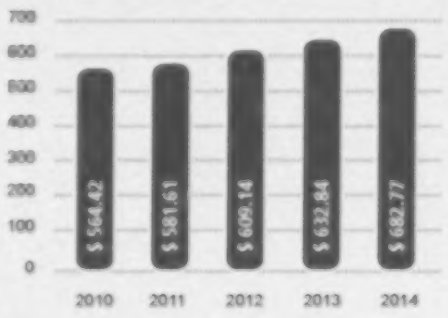
MAJOR TAXPAYERS IN SASKATOON

2014 Taxable Assessment

Midtown Plaza Inc	$ 198,461,300
Boardwalk Reit Properties Holdings Ltd	$ 113,040,250
Pillar Properties Corp	$ 89,407,440
Centre At Circle & Eighth Property Inc	$ 87,799,100
Calloway REIT Saskatoon South	$ 87,712,200
959630 Alberta Inc	$ 75,094,990
Dundeal Canada (GP) Inc	$ 63,799,800
FP Equities Inc	$ 56,826,300
101042414 Saskatchewan Ltd	$ 56,634,300
CNH Canada Ltd	$ 54,661,000
Federated Co-operatives Limited	$ 53,805,500

MUNICIPAL PROPERTY TAX

(Per Capita)



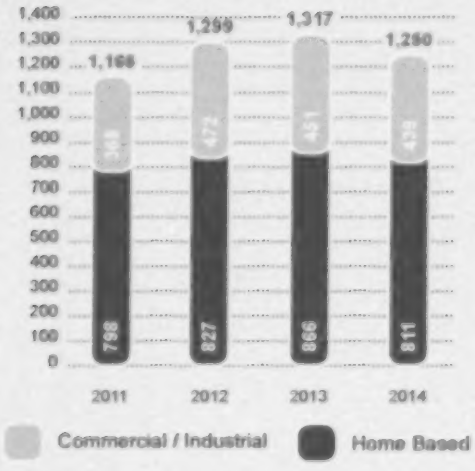
BUILDING PERMITS STATISTICS FOR 2014 VS 2013

	Number of Permits			Construction Value ($ million)		
Category	**Dec 31/14**	**Dec 31/13**	**Change %**	**Dec 31/14**	**Dec 31/13**	**Change %**
Residential	3,792	3,787	0.1%	$ 396.1	$ 441.8	-10.3%
Apartments & Housing Projects	353	305	15.7%	206.5	177.7	16.2%
Commercial	287	328	-12.5%	132.0	165.3	-20.1%
Industrial	221	217	1.8%	75.9	111.1	-31.7%
Institutional & Assembly	75	88	-14.8%	58.8	177.3	-66.8%
Other (includes demolition permits)	268	295	-9.2%	8.9	15.3	-41.8%
TOTAL	**4,996**	**5,020**	**-0.5%**	**$ 878.2**	**$ 1,088.5**	**-19.3%**

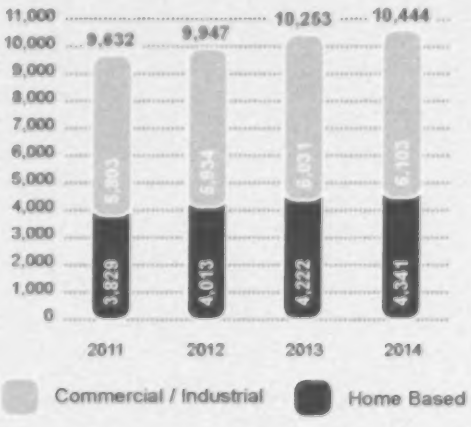
SUMMARY OF PERMITS OVER $10M APPROVED TO DECEMBER 31, 2014

New Apartment Condominium - 550 - 4th Ave. N	$ 11.8M	(Included in "Apartments & Housing Projects" above)
New Condominium Bldg., Shell and Final - "The Banks"	$ 26.4M	(Included in "Apartments & Housing Projects" above)
Alterations to Health Sciences Bldg. - U of S	$ 21.9M	(Included in "Institutional and Assembly" above)
New Apartment Condominium - 142 Pawlychenko Lane	$ 13.7M	(Included in "Apartments & Housing Projects" above)

NEW LICENSED BUSINESSES



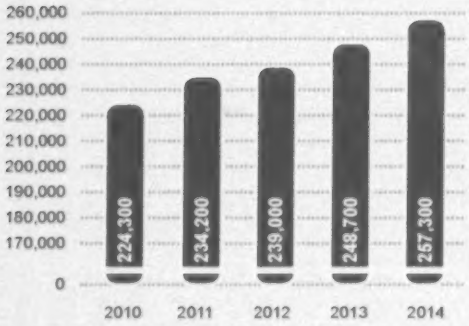
TOTAL LICENSED BUSINESSES



KEY STATISTICS 2014

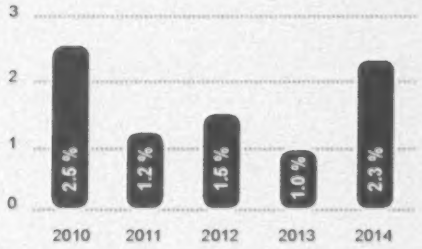
POPULATION

(as at December 31st)



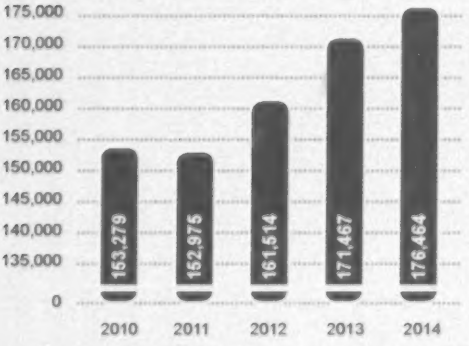
AVERAGE ANNUAL

Consumer Price Index



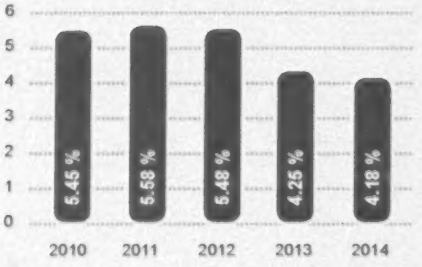
LABOUR FORCE

(for month of December)

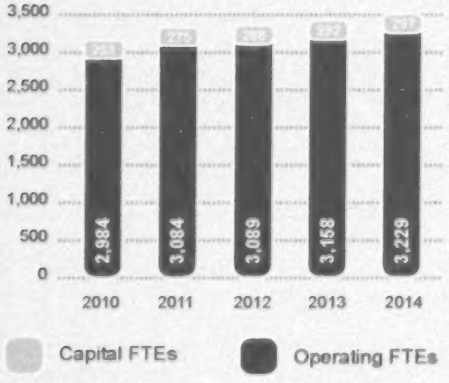


UNEMPLOYMENT

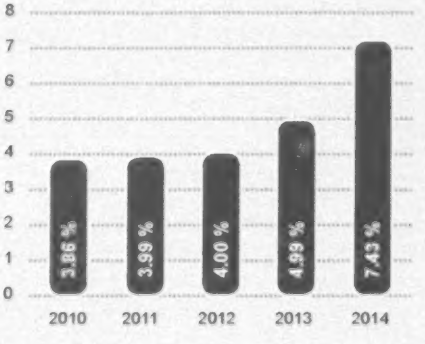
(for month of December)



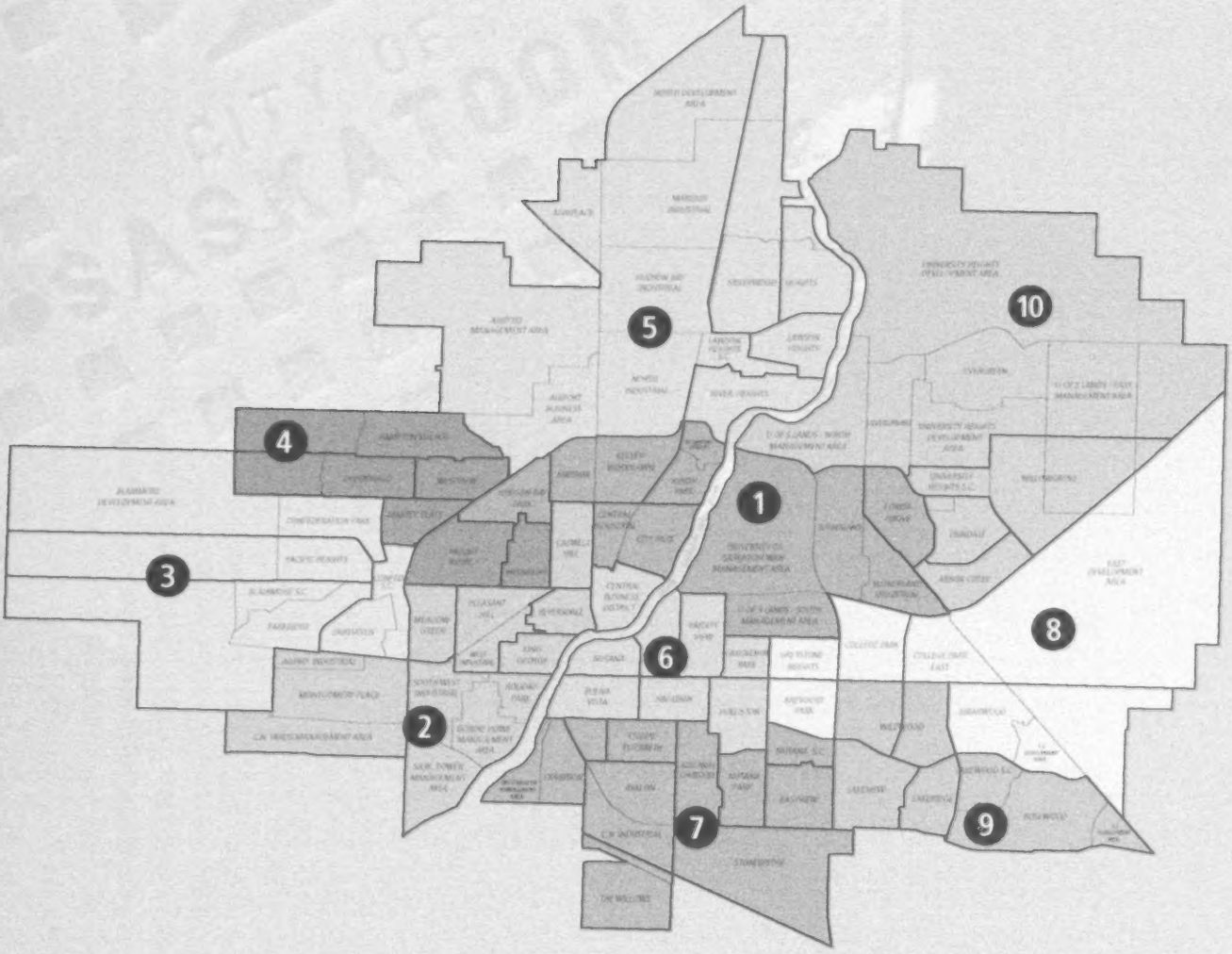
STAFFING LEVELS



PROPERTY TAX INCREASE



CITY OF SASKATOON WARD MAP



City of Saskatoon

...THE ROADS AHEAD

The Roads Ahead for Saskatoon are paved with opportunity. Saskatoon's strong and sustained population and economic growth continue to fuel prosperity, creating new opportunities for the City, and for citizens.

The City of Saskatoon is committed to finding solutions for the challenges that come with rapid growth by responding strategically, and striking a balance between budgeting for much needed improvements to capital infrastructure, and providing the best possible programs and services for the citizens of Saskatoon, those that contribute to a high quality of life in our city.

Our dedication to *a culture of continuous improvement* continues to move our teams forward to become even more goal-oriented, responsive, and adaptive to the changing needs of residents, and the demographics of our rapidly growing city.

The financial and physical resources under our care are used to address the needs of citizens today and tomorrow – we're focused on *the roads ahead* through our long-term goal to manage the City in a smart, sustainable way.

Strategic Plan 2013-2023 (Strategic Goal: Asset and Financial Sustainability)

Asset & Financial Sustainability

City of Saskatoon

City of
Saskatoon
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